

Building an Alliance¹

Stimulating Progress – the need for Collective Action

The CGIAR is a unique, global organization. And, like all great living and learning organizations, it must periodically examine itself and make the adjustments necessary to enable it to continue to respond to the needs of an ever changing world.

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

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

Accordingly, both the CGIAR and the Centres evolved, adapting to a more complex reality by committing to a more complex mission: “*to contribute to food security and poverty eradication in developing countries through research, partnership, capacity building and policy support promoting sustainable agricultural development based on the environmentally sound management of natural resources.*” Today, the Millennium Development Goals and other global initiatives require the Centres to address an even broader range of challenges. Unless we pull together, taking every measure necessary to enhance our ability to work as a collective, we do not stand a chance of making a significant contribution to their implementation.

Our Track Record

Collective action is of course not new to the CGIAR. There are numerous examples of successful joint actions—large and small. For example, a recent report prepared by the Marketing Group, entitled *Healing Wounds*, gives an account of the dramatic impact that the Centres, usually working together, have had on millions of lives across Africa, Asia and Latin America. *Healing Wounds* specifically chronicles the response of the Centres and their partners to emergency situations in 47 countries over the last three decades.

In the early 1990s, the CGIAR approved the creation of System-wide Programs and Ecoregional Programs (SWEPs). The goal was to formalize and promote collaboration

¹ Submitted for discussion at AGM05 by the Future Harvest Alliance Office, November 7, 2005.

among the Centres. The Ecoregional Programs had the added objective of facilitating the Centres' capacity to respond to the CGIAR's new research agenda on natural resource management. Today, the System has 11 System-wide Programs and 6 Ecoregional Programs.

In 2001, the CGIAR System put into place a number of reforms. Among the reforms, a System Office was created to improve effectiveness and efficiency in financial, administrative and human resource management. Several initiatives, hosted and funded by the Centres, were placed under the umbrella of the System Office. These initiatives, and others outside the System Office, whose collective purpose was to allow the Centres to share costs and best practices, have been extremely successful. They include a shared salary, pension and benefit system (AIARC); a communally organized contract for telecommunications (ICT-KM); shared library subscriptions at lower service costs (the Library Consortium); an Internal Audit Unit; and Human Resources (SAS-HR), Gender & Diversity (G&D) and Intellectual Property (CAS-IP) Programs that are developing leading-edge policies and sharing best practices across the System.

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

The Challenges

The capacity of the Centres to respond collectively to development challenges and to operate more cost efficiently as a result of resource sharing has improved markedly over the past decade as a result of CGIAR System reform and additional initiatives taken by the Centres themselves. Given the right enabling mechanisms, the Centres are sure that a great deal more can be achieved.

A first step was taken in 2003 as the demands for stable support to the collaborative work of the Centers grew. The Centers created the Alliance Office to administer common activities assigned by the CDC and CBC, to give policy and administrative support to decision making and collaboration among Centers, and streamline and strengthen the Centers' contribution to the CGIAR System. The Office is presently headed by a half time consultant as its Executive Officer. The CGIAR Charter (2004) summarizes the functions of CDC and CBC but does not define the principles and procedures that are necessary for this more effective and efficient collaboration among Centres.

A major step toward this end was taken when the Directors General met in Ethiopia on 8-9 July 2004 to address the question of how the Centres could work better together. They identified a number of constraints to achieving greater impact and efficiencies from joint efforts. The following issues were covered in their discussions:

Institutional learning. We have not made enough of an effort to learn from our experiences in undertaking collective actions. There have been no in-depth analyses and documentation of governance and structure; partnering strategies; implementation

mechanisms; learning costs; the added-value or synergies resulting from collective action. We need to more systematically document, share and institutionalize the lessons learned from joint efforts.

Collective versus Independent Action. Collective action is not a goal in itself, rather a means for improved effectiveness and efficiency. While the Centres firmly believe in the benefits of joint initiatives, they recognize that not all of the activities of Centres will benefit from inter-Centre collaboration. It is important to develop a sharper analysis of when research is best done by individual Centres and when it is more effective to work together to solve a problem.

Recognition and Incentives. At present, teamwork is neither recognized nor rewarded in any systematic way either by Centres or by the System. We need to develop incentives to encourage collective actions by Centres, especially, in the current competitive funding environment.

Performance Measurement. Much attention has been drawn to the transaction costs of collective action, but we have not yet attempted to measure the performance and benefits of collective action. In part this is because much of what we seek to measure is intangible. How does one quantify added-value through research synergies, increased efficiency and quality of science and delivery? This challenge will require some very creative thinking.

Leadership and Executive Capacity. A true commitment to collective action will require strong leadership from Centre Boards and Directors General. That commitment is already in place. What are needed are transparent principles, codes of conduct and a clear definition of roles and responsibilities to guide management and inform decision making for effective inter-Centre partnerships. Stronger support from the Alliance Office will be required to back the increasing strategic and operational work of the Centers working together (The Alliance). Past intentions for collective action have often failed through lack of resources allocated to promote and support them.

Conflict Resolution. Conflict may arise when multiple partners attempt to address complex problems. The resolution of conflict, if properly managed, does not need to be a painful or disruptive process. The Centres will need to create a well-defined, transparent and fair conflict resolution mechanism to maximize the productivity and health of relations among partner institutions.

In summary, the Addis Ababa Retreat led the Director-Generals to agree to formalize and codify Centers' relationship when they undertake collective action, ie, create an Alliance. To meet our many challenges, the Alliance is being built on existing, well-performing collaborations and sound CGIAR processes (e.g., Medium Term Plans as core planning documents, active collective Centers' participation in the CGIAR Executive Council). It is informed by a thorough analysis of past constraints and a new vision of successful collaboration and is based on strong governance and management principles and procedures. The Alliance is conceived to reap the benefits of closer collaboration without creating another layer of bureaucracy and with only marginally increased costs. The CDC is transformed in an Alliance Executive and the CBC will become the Alliance Board

(AB). The Principles and Procedures of the Alliance describe how Centres will be bound by the decisions of the AE and the AB, and the Alliance Office, a unit of the CGIAR System Office is strengthened (the Executive Officer of the Alliance, which is currently a half time position will become a full time position) to provide the necessary support to the implementation of the AE decisions..

Our goal and commitment to success

The Centres are committed to play a proactive and constructive role in the on-going change process of the CGIAR. To achieve this, the Centres have laid down the foundations of the Alliance, and its further construction as a successful collaborative mechanism is well underway. It builds on the existing mechanisms of CDC and CBC, and aims to drastically increase our collective effectiveness and efficiency, without creating new levels of complexity or bureaucracy and with only a marginal increase in transaction costs. More importantly, the Alliance itself is an instrument of reform of the System, in a similar way to how the Executive Council of the CGIAR was a reform and has itself become an instrument of reform.

The Alliance will provide an effective and efficient mechanism for fostering greater collaboration by avoiding duplication, seeking complementarities and by capturing and enhancing synergies, and thereby institutionalizing productive collaborations. The Alliance will allow us to better mobilize the intellectual capital of the Centres as well as to engage in improved relationships with other stakeholders. By sharing facilities and services, the Alliance will also achieve economies of scale and reduce transaction costs. The Alliance will be a proactive force in the System reform, for ensuring greater programmatic integration where appropriate, for developing instruments to measure its performance and for resolving conflicts.

There will of course still be obstacles on the road, but we are convinced that with the support from the Shareholders and all the components of the CGIAR System, the Alliance will ensure that it fulfils its mission to capture the utmost value from the Centres to the CGIAR's noble mission.

Some examples of concrete benefits of the Alliance today

The Alliance provides the Centres with the mechanism and the capacity they lacked in the past to engage in critical collective actions. There are already concrete examples where the operation in the context of the Alliance has made a great difference. The following would not have been possible without the Alliance:

- The SSA sub-regional MTPs are being developed collectively by the Centres;
- The development of the SKEP initiative and the organization of the meeting with the CEOs of the private sector in September 2005;
- The rapid adoption of the common policies on GMOs and Centre germplasm collections;

- A collective input by all Centres in the Science Council Priorities and a collective analysis of the SC comments on the Centre's MTPs;
- The assessment of the performance of the World Bank supported System-wide and Ecoregional Programmes;
- CBC's leadership in the organization of a Board Orientation Programme for new Board Members;
- The preparation of joint Centre presentations for the World Bank ESSD Forum in Europe and the JIRCAS meetings in Japan in 2005;
- A system response to the tsunami and the creation of a common website (www.cgiar.org/tsunami)

The Alliance progress to date

In the 14 months since the Ethiopia retreat, significant progress has been made to begin addressing the challenges mentioned above:

- The Alliance concept was discussed by ExCo7 in September 2004 and the concept received positively.
- At AGM04, the CBC and CDC formally established the Alliance, agreed upon the Guiding Principals for the Alliance and the CDC transformed itself into the Alliance Executive (AE). These decisions were presented on Centers and Members Day and in the Business Meeting and a written statement distributed.
- The CBC and CDC then appointed a joint team to draft the Principles and Procedures for the Alliance. This document is under discussion by Centers and it is being reviewed by the legal team of the World Bank, thanks to the assistance of the CGIAR Secretariat;
- A CDDC Task Force conducted a consultation with the Coordinators and Chairs of the System-wide and Ecoregional Programs, and prepared the first draft of a Performance Measurement Report for these Programmes;
- The Centres conceived and have taken a lead with their partners in developing the joint MTPs for SSA, with an accelerated timeline for submission and implementation requested by the Members.
- A Steering Committee of CBC, AE and CDDC, supported by the Alliance Office, is developing and will present for discussion a grievance/conflict resolution mechanism to CBC and AE in December;

The Alliance Workplan

The Alliance workplan for 2006 is a response to the challenges laid out in the body of this document.

- The Alliance will build on the inter-centre ILAC initiative to ensure that institutional learning becomes an integral part of the culture of the Centres of the Alliance.
- The Alliance will make an inventory of collective actions that are ongoing, learn lessons from them and identify new areas for further collective actions
- The Alliance will ensure that incentives are developed that will encourage greater collective action through the inclusion of relevant indicators for collective action in

the Centre performance measurement and by encouraging Boards and Management to include the contribution to collective action in Director General and staff performance evaluation and rewarding.

- To strengthen leadership and executive capacity, the existing Executive Officer position has been expanded to a full time Executive Director position for the Alliance Office. This is being done with the assistance of the CGIAR Secretariat and IFAD, and an international advertisement has been released. Discussions are in train with IFAD over hosting the Alliance Office.
- At their meetings in Marrakech in December 2005, the AE and CBC will adopt the final version of a Principles and Procedures document that will be the basis for the functioning of the Alliance.
- After December 2005, the Centres will formally sign on to the Alliance. This will be done over a period of time depending on the dates of individual Board meetings.
- A proposal for an amendment to the CGIAR Charter will be submitted to ExCo and AGM in 2006 to reflect the changes brought into the system by the Alliance.

Budget and staffing

In 2005, the Centers pooled budget for supporting collaborations was \$1.2 million, of which 15% (\$188 k) was allocated for the two consultants servicing the Future Harvest Alliance Office (FHAO). As the FHAO is a unit of the CGIAR System Office, its annual workplans, budgets and reports are included in the Integrated Operating Plan of the System Office and the System Office Annual Report. As part of the System Office, the Alliance Office works closely with the other units of the System Office.

The new full time Executive Director and office location for FHAO is needed to cope with the growing workload and need to provide institutional stability and continuity. The Office has been virtual to date, serviced only by consultant staff. A more permanent physical location is now being sought and discussions are underway with IFAD in Rome. The additional costs of a full time Executive Director are estimated to be from about 200k (including the one-off costs of the selection process and relocation for the new ED). Other staff or contractors will be added to the Office as needed and agreed by the Alliance Executive which funds the Office according to Alliance needs. The Alliance Executive will discuss the full budget for 2006 during their pre-AGM meetings in early December. The 2006 budget can then be made available during the Business Meeting.

Answers to the Questions of the Executive Council:

1. Full costs of the Future Harvest Office:

In 2005, the Centers pooled budget for supporting collaborations was \$1.2 million, an amount that has remained stable for a number of years. Of this, only 15% (\$188 k) was allocated to the FHAO. The appointment of a full time Executive officer will require an additional US200k, including the one-off costs of selection, appointment and relocation. This is negligible when examined in comparison with the cost of the other components of the System Office which have a total budget of about US\$9M.

2. Show that there is full buy-in by every Center

In December 2004 just prior to AGM04, all fifteen Directors-General without exception agreed to transform the Center Directors Committee (CDC) into the Alliance Executive (AE). The Alliance Principles and Procedures document which codifies the behaviour of Centers when they agree to work together, will be finalized at the meeting of the AE and CBC just before AGM, and the buy-in by the Centres will be reported by the AE Chair at the business meeting of AGM.

3. Clarify how binding Alliance Executive decisions are on each of its members

The way in which the AE decisions will be binding on each of the members will be described in the Alliance Principles and Procedures which will be available at AGM.

4. Describe benefits, costs and disadvantages

The benefits are well described in the text “Building and Alliance”. As for the costs, there is only a marginal increase in costs over the current situation, as mentioned above. Since the creation of the Alliance does not require the creation of new bodies, it is hard to imagine what disadvantages there could be from having a mechanism to work together more effectively.

5. Governance ramifications and “adding another layer”

One of the strongest points of the creation of the Alliance is precisely that it does not add “another layer”. The CDC has been transformed in the AE and the CBC is transformed in the Alliance Board. These bodies have been meeting twice a year since the creation of the CDC and CBC. Where these bodies used to merely exchange information and discuss topics of common interest, the AE will now take executive decisions regarding collective actions, and will have the capacity to ensure that the decisions are implemented.

As far as the governance ramifications and representation of the Alliance in the System are concerned, this will of course be open for discussion, but considering the fact that, based on the principle of subsidiarity, a proportion of the work of the Centres will not involve

collective action, the reasons that justified the participation of both the CDC and CBC in ExCo should still be valid.