

CBC
May 11-12, 2003
The Hague, Netherlands

SUMMARY OF PROCEEDINGS

AGENDA ITEM 1

The Chairman opened the meeting and welcomed all participants and requested Board Chairs to introduce themselves. Since the Committee last met in IRRI (October 2002) there were several new Chairs including Jim Godfrey (CIP), Uzo Mokwunye (ICRISAT), Isher Judge Ahluwalia (IFPRI), Remo Gautschi (IWMI), Richard Musangi (WARDA), and Eugene Terry (World Agroforestry Centre). Regrets were received from Angeline Kamba who would not be able to joint the meeting until May 13. The Chairman welcomed the new Board Chairs and also bid a special farewell to Bob Havener and Jag Maini, who were attending their last meeting as Board Chairs. A list of participants is attached as Annex 1.

The Chairman also acknowledged out-going Chairs, Lucy Edwards (ICRAF), Martha Stone (ICRISAT), Geoff Miller (IFPRI) and Lindsay Innes (WARDA), and thanked them for their contribution to the CBC.

The Chairman introduced Tim Mealey of the Meridian Group who had agreed to lead the CBC through a SWOT analysis (strengths, weaknesses, opportunities and threats) of the restructuring and reform process of the CGIAR. It was intended that the analysis would produce a similar document to that produced at CDC retreat held in February 2003, and which could, after being discussed at the joint CBC/CDC meeting, be presented to ExCo4 to help the system achieve its goals.

The Chairman also introduced Bob Moore, Bob Moore and Associates, who had been commissioned by the CBC to undertake a review of Center grievance policies. Mr. Moore's report would be discussed under Agenda Item 9.

Review and Approval of Draft Agenda

After a few points of clarification, the Draft Agenda was adopted as a flexible guide to discussions and is attached as Annex 2.

Review and approval of October meeting, Los Banos

The Committee reviewed the summary of the minutes from the IRRI meeting. With minor amendments and with a vote of thanks to the Chair and the CBC Secretariat for producing an excellent set of notes, the Draft Notes of the Meeting held in Los Banos on October 24-25, 2002, were approved.

AGENDA ITEM 2

Reports from Centers

In order for all participants to be briefed on the current status of each Center, all Board Chairs made a brief presentation on their Center covering major current concerns. Issues resulting from individual Center presentations are discussed under Agenda Item 3.

AGENDA ITEM 3

Follow-up from October 2002 CBC Meeting

1. CBC communications:

The Chairman reported that since the last meeting, he had:

- Participated in two teleconferences with the Chairman and Director of the CGIAR to discuss items of mutual concern. Reports on these teleconferences had been distributed to all CBC members.
- Arranged for the CBC to submit a regular contribution to the Secretariat's publication, CG News.
- Ensured that the CBC would have an input into all future CGIAR Annual Reports.

It was agreed that the CBC Communications Strategy would be discussed later in the meeting under Agenda Item 15 "Other Business" but this did not eventuate.

2. Board's role in resource mobilization:

Discussion:

- Some Chairs felt that this was an important function for all Board members, and that Board members should serve as resource persons for their individual Centers. Although their primary focus should be on leveraging funds from their home country, Board members could undertake a broader role with the Executive Directors of the regional banks, as well as pursuing non-conventional funding sources.
- Other Chairs were of the opinion that resource mobilization is not the responsibility of the Board, per se. Individual Centers must have a clear resource mobilization strategy which all Board members need to clearly understand.
- It was agreed that CBC does not need to recommend a system-wide strategy on resource mobilization.

No further action was required.

Issues resulting from Center Reports

(a) Finances

Discussion:

- The issue of diminishing unrestricted core funding continues to cause significant concern. Although some Centers have a procedure for recovering full overhead costs for all projects, others do not. CBC stressed the need for harmonization and consistency among Centers in the way overhead costs are calculated and applied.
- Donors need to be exposed to and educated on the necessities of overheads in order to ensure continued support for the "heartland" of CGIAR research and activities. The CG Chair must be encouraged to support the Centers in their interactions with donors and plead for a minimum level of core funding, below which Centers are not viable. Center scientists must also be adequately trained to understand full costing principles.
- It was proposed to gather data on the number of projects that have been rejected by Centers because of inadequate overhead costs.

- It was understood that CDC is also very concerned about the whole area of funding and cost recovery, including proper reporting mechanisms, and would be discussing this at their separate meeting.
- One member said it was important to perform a risk evaluation involving the external, operational, financial and reputational risks involved for the Centers through some formal process, in the event that action was needed.
- It was agreed that the Centers should focus on restoring donor confidence in the mandate and performance of Centers as a first step to increasing unrestricted funding. The issue was not merely one of overhead recovery cost, but rather a need for System-wide understanding that it was in the Centers collective interest to have a corporate and collective strategy for the management of funds across all Centers. Good governance is essential to receiving endorsement from donors. The Centers must convince donors they are a good investment with strong reporting mechanisms in place.

Action: Agenda Item for CBC/CDC Joint Meeting.

(b) HIV / AIDS

Discussion:

- CBC agreed that the Centers need an enlightened policy on HIV/AIDS which can be mainstreamed into all programs, and agreed to work with the CDC to develop a System-wide unified strategy.
- CBC appreciated the work the Gender and Diversity (G&D) program has undertaken with Centers on individual action plans. However, it was recognized that this does not fall within the mandate of G&D.
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Action: Chair to discuss issue with CDC to determine next steps.

AGENDA ITEM 4: SWOT Analysis

The Chair introduced the agenda item emphasizing the objective of the SWOT analysis was for CBC to develop its own set of issues in regard to the changing CGIAR system. The CDC had also undertaken such an analysis during their retreat in February 2003. He proposed the results of the CBC analysis be discussed with the CDC at their joint meeting in order to produce a joint CBC/CDC report to facilitate changes and future directions for the CGIAR. This report will be presented to ExCo on May 16-17, immediately following the joint CBC/CDC meeting.

The Chair introduced Tim Mealey of the Meridian Institute who would facilitate the SWOT analysis.

The CBC discussed the SWOT for three of the components within the CG system that are being implemented: the ExCo, the Challenge Programs (CP), and the Annual General Meeting (AGM). While it did not conduct a SWOT on the Science Council (SC) and the System Office (SO) because these institutional mechanisms have either not yet been established or they are not yet mature enough to perform such an analysis, both of these institutions were also discussed.

Results of SWOT Analysis

(a) Recommendations to Improve ExCo

- A strong Science Council is essential to the satisfactory performance of the System. Concern was raised that its development has been put on hold for another 3 months. CBC will offer its assistance in the search and evaluation areas.
- When the Science Council is in place the functions of the ExCo Program Committee may be redundant, thereby permitting the ExCo to eliminate this Committee.
- The ExCo should periodically do an evaluation of whether it is fulfilling its intended mission and function within the CG System, especially with regard to the intention that it should not become a defacto decision-making body, but rather to take its direction from the AGM.
- In this regard, the CBC/CDC Chairs must use their positions on ExCo to maintain the focus of the CGIAR, ensure scientific credibility, and influence the donor members of ExCo to maintain support for the System.

(b) Recommendations to Improve the AGM

- The CBC and CDC should play a greater role in planning the agenda for the AGM.
- The AGM should be conducted every other year in a developing country. When it is not being held in a developing country, it should be conducted in the World Bank in Washington DC to allow more interaction between Centers and donors. The 2004 AGM should be held in Washington DC, and every two years thereafter.
- For AGMs there should be clearer separation of those portions of the meeting that are devoted to diplomatic objectives related to the needs of the host country, substantive/scientific objectives, and CG System business objectives. There should be a minimum of two days devoted to CG System business objectives.

(c) Proposed CBC/CDC Action to Address Deficiencies in ExCo and AGM and the Elimination of the Mid-Term Meeting (MTM)

The functions the ExCo is intended to fulfill was, at least in part, a basis for eliminating the MTM. However, the MTM fulfilled important needs and objectives that are not currently being fulfilled by either the AGM or ExCo. Specifically, there is a need for more and higher quality technical interactions between the Centers and the donors on substantive, scientifically oriented subjects. Therefore:

- The CBC and CDC acting independently (until such time as the Science Council is established and operating, and thereafter in collaboration with the SC), should conduct an event that would be

designed to allow for high quality dialogue between the centers and donors on key strategic questions regarding scientific and food security policy issues. This event should take place every two years towards the middle of the year thereby taking the place of the MTM. However, it should not take the place of or diminish the importance of the functions that are intended to be fulfilled by the ExCo or the SC. This event should be “driven” by the Centers and, eventually, by the Centers and the SC working together with the assistance/support of the Secretariat. The target audience and the form of this event needs to be explored. This would be a center/donor/stakeholder driven event focused on the activities and impacts of the Centers. This event should provide Centers with an opportunity to “market” themselves to the donors and it should not address management issues (i.e., the “business” of the CG system), which would be reserved for the business meeting component of the AGM.

(d) CBC Planned Steps to Help Ensure the SC is Established as Quickly as Possible, While Not Sacrificing Quality in the Selection of SC Members

The CBC learned that the SC Search Committee will ask the ExCo for three-month delay in its May 16, 2003, deadline for selecting SC members. The CBC certainly agreed it is better to take longer to select the right high quality candidates than to hurry the selection process along. At the same time, the CBC believed there is a significant vacuum that has been created in the CG System due to the absence of a fully functioning SC and this vacuum is being filled in inappropriate and ineffectual ways (e.g., current review procedures and experience to-date with lack of clear priorities for Challenge Programs, etc.). Therefore:

- The CBC intends to collectively proactively identify names and submit an agreed upon slate of candidates that the CBC believes meet the selection criteria – including a balance of candidates who are new to the CG System and people who have significant level and breadth of experience with the CG System.

(e) Recommendations to Improve Challenge Programs and Planned Actions to Address the Impacts on CPs on Centers

The SWOT analysis of CPs yielded important insights and the beginning of a shared understanding of the experience to date with the new dynamic that has been introduced into the CG through the CP approach to funding research within the CG System. These insights lead the CBC to agree with the CDC on the need to develop an agreed upon code of conduct for how centers should interact with each other in general, and in relation to CPs in particular.

While it was not discussed in detail, it was proposed that the CBC/CDC should recommend to the CG that a *donor code of conduct* should be developed that would contain a set of principles for CG Members regarding their responsibilities associated with the goal of full cost recovery and the critical importance of core funding.

AGENDA ITEM 7

Inter-Center Cooperation

Mort Neufville made a brief presentation on the working group on Inter-Center Cooperation which was asked to look at the appearance of a conflict between CIAT and IITA in the conduct of cassava research and dissemination of cassava research information on the continent of Africa. He reported that a draft agreement between CIAT and IITA had been circulated for comment, but was not yet finalized.

It was agreed that principles for inter-center cooperation need to be developed in line with the Codes of Conduct currently under discussion.

AGENDA ITEM 8

Role and Responsibilities of Boards in the Governance of Challenge Programs

It was agreed that this item had been covered in the SWOT analysis and no further discussion was necessary at this time.

AGENDA ITEM 9

(a) Grievance Procedures

The Chairman introduced the item. At the request of the Secretariat, a study was commissioned by the CBC to ensure the human resource policies of the Centers dealing with staff grievances were aligned and based on common principles and standards. Mr. Bob Moore, Bob Moore and Associates, Chapman, ACT, Australia, was hired by the CBC to review existing procedures from 10 Centers to establish recommended model guidelines. These guidelines would need to be adapted to the individual Center's set of circumstances, through their Human Resources units, and their individual Boards.

All Centers have grievance procedures in place and fortunately many of them have not been tested. The changes in the System and the greater mobility of staff associated with project funding have resulted in a greater number of separations with a consequent rise in the number of grievances. Where grievances have arisen, it was evident that the process was not well understood and staff were unsure of their rights and the processes involved. There are variations among Centers in the policies that relate to grievances, some of which are a result of different requirements associated with Center constitutions and/or country agreements.

Mr. Moore presented two documents to the CBC. The first document was an overview of the key issues, highlighting some items built into the model guidelines. The second document, the model guidelines themselves.

Mr. Moore emphasized that where grievances were concerned, it was important to handle them well and in a timely manner. In doing so, it was important to prevent a stressful situation from becoming one of a grievance process. The rule of thumb, he said, was not to wait until a situation becomes a grievance -- it could usually be dealt with ahead of time, with the proper response mechanisms in place. Mr. Moore stressed that the informal procedures needed to be clearly laid out prior to following more formal processes. Staff need to know what is expected of them in their day-to-day performance.

Formal grievance procedures should be transparent and fairly speedy. From a strategic point of view, it is important for Center management teams to anticipate how to respond to different circumstances, and clearly present Center policies and procedures when briefing new staff members.

After a lengthy discussion, the CBC endorsed the guidelines to be forwarded to CDC for discussion in the joint meeting and endorsement by the CDC. CBC would then be in a position to discuss the matter with individual center Boards.

(b) PARC/Future Harvest

Alex McCalla informed the CBC that PARC had not met since AGM02 in Manila. As the External Review of Future Harvest was an agenda item for discussion at the joint CBC/CDC meeting, it was agreed that CBC discussions should be postponed until after that session.

(c) Gender and Diversity

Angeline Kamba presented the Third Draft Objectives for the External Review of Gender and Diversity which had been distributed for comments. An status report on this Review would be available at the next CBC meeting prior to AGM03.

(d) Codes of Conduct

Mort Neufville introduced the item. It was agreed that based on the results of the SWOT analysis undertaken by the CBC, Codes of Conduct might need to be introduced both across and within Centers. It was agreed that the CBC should adopt a Code of Conduct to complement the Code under review by the CDC. This Code would be included in the Rules of Procedure of the CBC. The Chair agreed to draft this note and to circulate a draft to the CBC for comment and endorsement.

Action: Draft CBC Code of Conduct be circulated for comment (Chair).

(e) Monitoring Center Performance

The CBC recognized the complex nature of such a task and the need to avoid micromanagement by a Board while, at the same time, fulfilling the Board's responsibility for oversight and governance in monitoring and evaluating the relevance, quality and impact of a Center's programs. The need to be transparent, objective and unbiased was also acknowledged, as was the variation between Centers in dealing with specific problems and issues.

It was felt, however, that there was sufficient common ground to set guidelines for Center Boards, especially in determining performance indicators. Among the issues discussed were:

- The appointment and annual evaluation of the Director General;
- Board evaluation and evaluation of Board Chairpersons;
- Board/staff interactions;
- Center Strategic Planning;
- Internal assessment commissioned by Boards including CCERs;
- External assessments including EPMRs;
- Fiduciary issues, including salary structure and compensation guidelines; and
- Frequency of Board meetings and of their standing committees.

It was emphasized that until a more formal process is developed, it is advantageous for Board Chairs to continue to share with each other the processes used in monitoring performance at their individual Centers.

Mort Neufville announced that the Secretariat had established a Working Group on Center Performance Indicators and recommended CBC be given a seat on this Working Group in order to provide a Center perspective.

Action: Remo Gautschi, Jag Maini and Jim Godfrey would continue working with Mort Neufville (focal point) on the CBC Working Group on Monitoring Center Performance. The Chair agreed to follow this matter up with the Secretariat.

(f) Board Orientation Programs

The Chairman introduced the item and informed the CBC that he had been working with the Secretariat on the proposed re-design of a Board Orientation Program. CBC strongly endorsed the concept of a CBC managed Board Orientation Program in order to provide a consistent message of roles and responsibilities to new Board members. Several members reacted positively to the ongoing general orientation program offered by the Secretariat – especially those sessions that had been held in conjunction with an AGM or Centers Week, thereby giving participants an opportunity to see the CG in action.

Since the last meeting of the CBC, ILRI and the WorldFish Center had held individual orientation programs for their new Board members and had received positive feedback from participants.

It was agreed that the CBC must produce an effective and cost efficient Board Orientation Program, including a regional perspective, which could then be presented to the Secretariat as a guide for future requirements.

Action: Alex McCalla, Uzo Mokwunye and John Vercoe (focal point) agreed to work on this item.

(h) Board Member Compensation and CBC Contributions

The Executive Secretary presented CBC with a complete listing of Center contributions to the CBC as of May 2003. An updated copy of the table is attached as Annex 3.

(i) DG Compensation Packages

Since the last CBC meeting, AIARC had updated the DG Compensation and Benefits Survey and this had been circulated to CBC members for information. It was agreed that this information should be shared annually.

Discussion on this item was very varied. Some members felt that salaries and compensation packages were too high, while others believed that salary packages were low given the responsibility and accountability demanded of a Center Director General. Several Chairs proposed a targeted recruitment strategy should be undertaken to identify new sectors and markets to broaden the pool of suitable candidates.

It was agreed that a study across a variety of comparator organizations would be useful and would serve as input into a CBC Recruitment Strategy for Director General positions throughout the system. Isher Ahluwalia, Eugene Terry, Jim Godfrey and Bob Kearney (focal point) agreed to develop terms of reference for the strategy outlining a range of options with regards to markets, options, comparator organizations, etc. This paper will be circulated for discussion at the next meeting of the CBC.

Action: Isher Ahluwalia, Eugene Terry, Jim Godfrey and Bob Kearney (focal point) to develop terms of reference for the strategy.

AGENDA ITEM 11

CGIAR Nominees on Center Boards

As agreed at the last meeting, the note prepared by the CBC entitled: “Board Membership – Selection Process: CBC Preferred Position” had been presented to the Secretariat. The Secretariat, in turn, had prepared a paper for discussion at the upcoming ExCo meeting, and attached the CBC paper.

The Secretariat is of the opinion that the CGIAR should nominate Board members to emphasize the concept of a System, and to remind Centers that they are part of a larger whole. They believe CGIAR nominees will help balance the autonomy of the Centers with the System’s need for greater integration. The Secretariat believes that having a cadre of CGIAR nominees on Center Boards will help to:

- Strengthen the alignment between Center and System goals and priorities;
- Facilitate inter-Center collaboration;
- Ensure that key donor and client interests are considered in a Board’s policy making; and
- Reinforce the Center’s resource mobilization capacity.

The Chairman shared a note prepared by Selcuk Ozgediz of the Secretariat which had been presented to the ILRI Board at their last meeting. Whilst recognizing that the note was intended to be provocative, the ILRI Board had found this document to be ill informed and potentially offensive. Other Chairs were also disappointed at the apparent lack of appreciation of the current way the majority of Boards were operating and requested the Chairman to follow-up.

On a related issue, in order to provide a greater pool of suitable candidates for the membership of Boards (BOTs), the Chairman had requested the Gender and Diversity program expand their database. It was envisaged that each year CGIAR members would be invited to populate the database with names of suitable candidates and, as vacancies occurred, Board Chairs or Board Secretaries would be able to search the database for qualified names of candidates.

At the same time, the Secretariat had contacted the Chair offering the services of the Secretariat’s Candidate Information Service (CIS) which was in the process of being updated to take account of the CBC’s requirements. It was felt that all information should be housed in a central data base, rather than being separated in two systems. The Chairman was of the understanding that the CIS would meet CBC’s requirements and agreed to update the CBC at the next meeting.

Discussion:

- CBC stressed the importance of maintaining ultimate responsibility for the final selection of Board members both in the interests of the Board as well as complying to legal constitutions.
- CBC insisted they were not willing to generate two classes of Board members.
- CBC recognized that all Board members must be thoroughly briefed on the CG system as a whole, and believed this can be a focus of the Board Orientation Program.
- CGIAR members should be encouraged to submit names of suitable candidates in the Secretariat's Candidate Information System (CIS) and urged the Secretariat to implement a new data base for this purpose.
- CBC reiterated their endorsement of the views presented in the document "Board Membership Selection Process: CBC Preferred Position" and requested the Chairman to inform the Secretariat accordingly.
- CBC also requested the Chairman to write to Mr. Ozgediz, with a copy to Ian Johnson and Francisco Reifschneider, requesting clarification of his assertions in his note of May 10, 2003.

Action:

- Chair to follow-up with Secretariat
- Chair to write to Mr. Ozgediz requesting clarification.

AGENDA ITEM 15 Any Other Business

(a) ISNAR Restructuring Review

The Board Chair for ISNAR, Moise Mensah, briefed the CBC on the current status of the ISNAR Restructuring Review.

At the end of AGM02, the CGIAR requested the Secretariat to set up a Review Team to recommend a proposal for restructuring ISNAR. The Terms of Reference required the Team to look into all possible structures except the phasing out of ISNAR. As a result, the Board and Management of ISNAR were surprised to read the Review Team's report recommending a division of ISNAR's mandate. The Review Team recommended that ISNAR should be operated through a formal alliance with IPGRI. Specifically the report recommended that:

- A restructured ISNAR global program of work on Institutional Change be led from a nucleus based at IPRGI headquarters in Rome; and
- ISNAR's program focused on the management of national programs be conducted in a decentralized manner with its headquarters in sub-Saharan Africa, under the supervision of a Director.

Dr. Mensah stated that the idea of an alliance among Centers was not new, listing the proposed coalition of three Centers – IPGRI, IFPRI AND ISNAR – at an earlier juncture. With the restructuring report, ISNAR was of the opinion that the governance mechanism suggested would not preserve ISNAR's mandate or programmatic integrity. In reality, ISNAR's mandate would be absorbed by IPGRI. This was not consistent with the AGM recommendation.

Dr. Mensah stated that the report of the Review Team was to be discussed at ExCo in May but neither the Chairman of the Board nor the Director General of ISNAR had been invited to the meeting to comment on the document.

Discussion:

- The CBC discussed the matter at length and fully agreed that the process was flawed in relation to good management procedures. The findings of the Review Panel were not consistent with the Terms of Reference and the recommendations lacked logic and supporting arguments.
- As the CGIAR is in the process of a major planning and strategy exercise, the results of which will almost certainly conclude that an expansion of ISNAR-type activities is needed, the aim must be to keep the ISNAR mandate alive while strengthening its presence in Africa with its partner institutions.
- The CBC recommends a feasibility study be undertaken to develop an options paper for ExCo that looks for innovative management and governance solutions, while maintaining the integrity of the ISNAR mandate.
- CBC was most concerned that ISNAR had not been invited to make comment on the Review before it was submitted to ExCo for recommendation to the AGM, or that no senior ISNAR official had been invited to the presentation. A clear set of guidelines should be prepared for reviews of this magnitude.

Action: Agenda Item for CBC/CDC

(b) ICRISAT EPMR

Dr. Mokwunye informed the CBC that ICRISAT staff and management were asked to prepare for an External Program Review and were later informed that a separate External Management Review would also be conducted. The timing and coordination of the two separate reviews did not allow for a face-to-face meeting between the Board members and the External Management Review Panel. In practice, the separate reviews resulted in twice the workload for the Center in terms of preparation time for the resource materials and staffing requirements.

The Board and management of ICRISAT were of the opinion that the process was flawed and were concerned that these non-ideal conditions might cause the panel to make recommendations detrimental to ICRISAT.

Discussion:

Several members felt the separation of the two reviews was retrogressing and wondered who had made the decision. More than a decade ago, a decision was taken by the CGIAR to formally integrate the program and management reviews. This decision was not taken by the Secretariat, nor TAC, but by the CGIAR as a whole. The CBC was anxious to know the reasoning behind the decision to conduct split reviews.

The CBC concluded that split management and program reviews were unacceptable and said that the linkages between science, its management, and the delivery of the impacts produced through research programs was missing in the current approach to a split-review.

Action: Information item at CBC/CDC Joint meeting.

CBC Preliminary Responses to CDC Proposals

The CBC discussed several interrelated proposals outlined in the summary of the February 7-9, 2003 retreat of the CDC. Although the CBC recognized these proposals are still under development by the CDC and would be discussed further at the joint meeting, the CBC provided some preliminary feedback on these issues.

(a) Codes of Conduct

The CBC agreed with the proposals that emerged from the February 7-9, 2003, CDC Retreat that there should be explicit codes of conduct between the centers to address the increase in competition and the genuine and simultaneous need for greater cooperation and collaboration between centers.

The CBC understands that the CDC intends to further develop and transform the draft “CDC Code of Conduct” that is contained in the summary of the February 7-9, 2003 into a broader code of conduct that could address interaction between centers at all levels, including the board level, the directors level, and the staff level. The CBC agrees with this sentiment but believes the text of the proposed CDC Code of Conduct will require significant changes if it is to become more broadly applicable to all levels of interaction.

To avoid a proliferation of numerous codes of conduct and potentially duplicative or, worse yet, contradictory codes of conduct, the core of the “Code of Conduct for the Centers” should be set forth as a set of agreed upon principles and mores of behavior that could then be elaborated upon for the various levels of interaction (e.g., at the Board level, the DG level, and the staff level), and with regard to specific institutional mechanisms (e.g., the CP).

While the CBC agrees that a breach in the “Code of Conduct for the Centers” should have serious consequences, the CBC believes some of the concepts embedded in the draft from the CDC go too far towards putting in place an unrealistic set of expectations with regard to consequences and sanctions. Specifically:

- The Boards of Trustees of Centers are the ultimate decision makers with regard to whether a Center Director is performing adequately and in accordance to any agreed upon Code of Conduct. Thus, any agreed upon Code of Conduct, as well as the more detailed agreed upon procedures for implementing the principles contained in a Code of Conduct, must recognize the primacy of the role of the boards vis a vis the governance of each independent center;
- Disputes regarding whether the agreed upon principles are being adhered to should first attempt to be resolved at the level at which the dispute arises and only if this is not possible should it be elevated up to the next level (i.e., from the staff to the DG and then on to the Board level).
- In all instances the agreed upon principles regarding dispute resolution, as well as any agreed upon detailed procedures for implementing those principles, must acknowledge both the factual legal independence of each center, and the primacy of the boards of each center to determine how it wishes to

respond to the dispute. Thus, all references to “arbitration” by the CDC and/or the CBC of such dispute should be replaced with concepts that are consistent with voluntary mediation and conciliation.

- Finally, the process of further developing and ultimately agreeing upon a Code of Conduct for the Centers must also respect the primacy of the role of the boards. Therefore, after it has been further developed by the CDC/CBC, acting together, the Code of Conduct and its associated procedures must be submitted for approval by each board, acting on its own. Such a ratification step may result in either proposed modifications to the draft Code of Conduct for the Centers, and/or modifications to existing codes of conduct and other related policies and procedures that are already in place at a number of centers.

The CBC endorsed the principles contained in the Center Code of Conduct and in the Challenge Program Code of Conduct.

Action: For discussion at joint CBC/CDC meeting.

(b) Strengthening the “Alliance” of the Centers

Building on the concept of a “Code of Conduct for the Centers,” the CBC agrees with the concept of both strengthening and formalizing the existing informal alliance between the centers. The CBC has deep reservations, however, regarding the use of the term “Future Harvest” in connection with this concept and strongly suggests that any future discussion of a stronger and more formal alliance refrain from using such terminology. Specifically, any discussion of “re-appropriating the Future Harvest brand” should be a separate and distinct discussion from the concept of strengthening and formalizing what the CBC for the time being would prefer to call the “Centers Alliance.”

While some CBC members are intrigued with the proposal to employ a senior person to serve as the “Alliance Executive Officer,” others expressed some skepticism about whether such a position will make a significant value-added contribution. Thus, before the CBC formally acts on this proposal, the CBC requires more information from the CDC regarding the line units that would be managed by this person, and the source or sources of funding for this position. Questions were also raised about what should be the roles, responsibilities of this person/position in relationship to the System Office, the CGIAR Director, and the Science Council.

The CBC are in favor of the alliance and request more details of the functions, terms of reference and budgetary implications of the position.

Action: For discussion at joint CBC/CDC meeting.

AGENDA ITEM 13 Items for presentation to ExCo4, Paris, May 2003

CBC agreed the Joint Statement of the CBC/CDC dated May 14, 2003, would be presented to the 4th meeting of ExCo. This document is attached as Annex 4.

AGENDA ITEM 14 Items for next meeting at AGM03

It was agreed that it would be advantageous to leave time on CBC Agenda at AGM03 to discuss big picture issues within the System. It was also agreed to have a regular time slot for the presentation of Center strategies and an opportunity for Board Chairs to share recent developments within their Centers. CBC agreed to invite donor representatives to participate in this session in order for them to be fully informed of burning issues at the Center level.

CBC also requested a face-to-face meeting with the Chairman during AGM03.

Action: Chairman to follow-up with Secretariat

AGENDA ITEM 15: Any Other business

(a) Strengthening Public Awareness and Resource Mobilization in CGIAR.

Returning to Agenda Item 9(b), the CBC continued the discussion of the External Review of the Future Harvest Foundation and, in principle, endorsed the “4R” option proposed by the review Team – to Redefine, Reallocate, Relocate, and Resource -- in the report of the External Review of Future Harvest Foundation. The CBC also suggested a re-examination of the brand name ‘Future Harvest Foundation’ in order to get buy-in from all components of the CGIAR system. Discussion on this item was fully covered in the draft Summary of Proceedings of the Joint CBC/CDC Meeting, and also in the Joint Statement to ExCo4.

(b) Endorsement of CDC financial paper

CBC had been asked to endorse the CDC paper on the erosion of core funding due to Challenge Programs. As this paper had already been presented to ExCo, the CBC decided it was not possible to endorse it. CBC agreed to inform CDC that all documents for CBC decision should be shared well in advance of future joint meetings.

(c) Outgoing Chairs

The Chairman thanked outgoing Chairs, Bob Havener and Jag Maini for their contributions to the CBC and wished them well in their future endeavors.

(d) Future Meetings

It was agreed that the CBC should hold their next meetings on October 24-25 October, prior to AGM03 scheduled to take place in Nairobi, Kenya. The CDC had also agreed to meet at this time and details would be worked through as to how much time would be spent meeting together.

With a vote of thanks to Tim Mealey, Meridian Institute, Bob Moore, Bob Moore and Associates, the Executive Secretary and the Chair, the meeting was closed

CBC May 11-12, 2003

List of Participants

CIAT	Lauritz Holm-Nielsen, Board Chair
CIFOR	Jagmohan Maini, Board Chair
CIMMYT	Alexander McCalla, Board Chair
CIP	James Godfrey, Board Chair
ICARDA	Robert Havener, Board Chair Margaret Catley-Carlson, incoming Board Chair
ICRISAT	Augustine Uzo Mokwunye, Board Chair
IFPRI	Isher Judge Ahluwalia, Board Chair
IITA	Mortimer Neufville, Board Chair
ILRI	John Vercoe, Board Chair and CBC Chair
IRRI	Angeline Kamba, Board Chair (May 13-14 only)
ISNAR	Moise C. Mensah, Board Chair
IWMI	Remo Gautschi, Board Chair
The Africa Rice Center	Richard S. Musangi, Board Chair
World Agroforestry Centre	Eugene R. Terry, Board Chair
WorldFish Center	Robert Kearney, Board Chair
CBC	M. Caryl Jones-Swahn , Executive Secretary

Special Guests:

Tim Mealey, Meridian Group

Bob Moore, Bob Moore and Associates, Canberra, ACT, Australia

**CBC MEETING
May 11 – 12, 2003**

AGENDA

Sunday, May 11, 2003		
	Agenda Item	Lead Chair
9.00- 9.15	Item 1 <ul style="list-style-type: none"> • Welcome and Introductions • Review and Approval of Draft Agenda • Review and Approval of Minutes of October 2002 meeting in Los Banos, Philippines 	Vercoe
9.15-10.35	Item 2: Reports from Centers (5 mins) (Each Board Chair makes 5 minute report on their Center covers major current concerns – a written dot-point, 1 page report could be useful for the record.)	All CBC Chairs
10.35	MORNING COFFEE	
11.00- 11.30	Item 3: <ul style="list-style-type: none"> • Issues resulting from Center Reports • Follow-up from October 02 CBC meeting <ul style="list-style-type: none"> ○ CBC Communications ○ Board's role in Resource Mobilization ○ CBC Budget/Bank account ○ Board appointments <i>(The issues might include further discussion of CBC communications and Board's role in resource mobilization.)</i>	Vercoe
11.30 13.00	Item 4: SWOT Analysis of Changing CG System <ul style="list-style-type: none"> • AGM • ExCo • SC • System Office • Review Procedures • Challenge Programs • Cultural Changes 	Vercoe/Facilitator
13.00	LUNCH	

13.45-14.30	Item 5: Identification of high priority desirable changes to System based on SWOT	Vercoe/Facilitator
14.30-15.30	Item 6: Development of Strategy to achieve changes	Vercoe/Facilitator
15.30	AFTERNOON COFFEE	
15.45-16.30	Item 6 (Cont....) Development of Strategy to achieve changes	Vercoe/Facilitator
16.30 – 17.00	Item 7: Inter-Center Cooperation <i>(Mort Neufville/Lauritz Holm-Nielsen to present report of the Joint Working Group led by Joachim Voss. Members to identify what more needs to be done and follow-up action.)</i>	Neufville/Holm-Nielsen
17.00 – 17.30	Item 8: Role and Responsibilities of Boards in the Governance of Challenge Programs <i>(Reports and recommendations from Centers that have experience, followed by the development of some principles and options.)</i>	Vercoe
Monday, May 12, 2003		
9.00 – 10.30	Item 9: Reports from Working Groups <ul style="list-style-type: none"> • Grievance/Appeals Procedures (30 mins) • PARC/Future Harvest • Gender & Diversity • Codes of Conduct • Board Member Orientation Program • Center Performance Indicators • Board Member Compensation & CBC Contributions • DG Compensation Packages <i>(Nominated leaders introduce, mediate discussion and identify further action required.)</i>	<ul style="list-style-type: none"> • Vercoe/Moore • McCalla • Kamba • Neufville • Vercoe/Kamba • Neufville • All • Vercoe
10.30	MORNING COFFEE	
10.50-11.10	Item 10: Science Council -- Progress Report	
11.10-12.15	Item 11: Board Membership <ul style="list-style-type: none"> • Size and Diversity 	Vercoe

	<ul style="list-style-type: none"> • Composition (skill base) • Methods of Appointment • CG Nominees • Data Base 	
12.15-13.00	Item 12: Items for joint CBC/CDC meeting	Vercoe/Facilitator
13.00-13.45	LUNCH	
14.00	Item 13: Items for CBC presentation to ExCo	Vercoe
15.00	Item 14: Items for next meeting (AGM)	Vercoe
15.30	AFTERNOON COFFEE	
16.00-17.00	Item 15: <ul style="list-style-type: none"> • Any Other Business 	Vercoe
17.15	Adjournment	
19.00	CBC Dinner hosted by Chair	

******* JOINT STATEMENT *******

of the
Committee of Board Chairs & Center Directors' Committee
14 May 2003

TO BE PRESENTED TO THE EXECUTIVE COUNCIL OF THE
CONSULTATIVE GROUP ON INTERNATIONAL AGRICULTURAL
RESEARCH (CGIAR)

INTRODUCTION

The Committee of Board Chairs (CBC) and the Center Directors Committee (CDC) met in both separate and joint session in Den Haag on 11-14 May 2003. At these sessions, the CBC and CDC worked constructively on an agenda that will allow the Centers to work together more effectively to achieve the goals of the CGIAR and to make positive contributions to the evolutionary changes to the CG System. The need of the Centers and other components of the CG System to adapt to new circumstances is reflected in the agreed upon actions and recommendations stated below.

ACTIONS AND RECOMMENDATIONS**A. New Center Alliance**

Despite greater competitive pressure within the CG System, the Centers have been working more and more collaboratively with each other. At their joint meeting on May 13-14, 2003, the CBC and CDC agreed to move forward with the establishment of a formal alliance between the Centers to further enhance the level, quality and effectiveness of their collaborative efforts and to streamline the Centers contribution to the reform of the CG System. While the details of how this new Center Alliance will be structure, what it will ultimately be called, and how it will operate are still under development, the CBC and CDC believe the concept of a more formal alliance between the Centers will result in significant, positive, value-added contributions to the CG reform process.

Of particular note is the desire of the Centers to improve and deepen their collaborative relationship with the newly formed System Office, the CG Secretariat, and the Secretariat of the Science Council (once it has been established). To accomplish these objectives, the Centers intend to create an Alliance Office and to appoint an Executive Officer who will serve as the focal point for our strong desire to streamline the management of the support units within the SO that were created by and for the Centers. The Executive Officer will report to the Chair of the CDC and, in addition to managing the Center support units within the SO, the Executive Officer will represent the both CDC and CBC with partners like the CG Secretariat,

the SO, SC, ExCo, and others. Our intention is for the Alliance Office and its Executive Officer to pursue our objectives in close cooperation with the SO.

B. Codes of Conduct

Further evidence of the strong desire of the CDC and CBC to enhance collaboration between the Centers is the establishment of Codes of Conduct to guide our interactions. The CDC has agreed upon a Code of Conduct for itself and for the Challenge Programs. The CBC strongly endorses the CDC's efforts on this and together we intend to further develop and unify these codes of conduct, to make them applicable at all levels of our organizations. To do so will require approval by the Center Boards, but we feel this will greatly enhance our ability to broaden and deepen our collaborative efforts, and to provide a means to hold ourselves accountable to each other.

C. The Science Council (SC)

The CBC and CDC believe a strong and independent Science Council is essential to the overall performance and credibility of the CG System. We understand that the SC Search Committee that ExCo established will report that it does not believe it has a suitable pool of candidates from which to draw upon in selecting the members of the SC, request ExCo grant it a three-month delay in their deadline, and approve a more proactive approach to establishing a pool of qualified candidates. The CBC and CDC agree it is better to take longer to select the right candidates than to hurry the selection process along. At the same time, we believe there is a significant vacuum that has been created in the CG System due to the absence of a fully functioning SC. This vacuum has led to the SC role being usurped or filled in inappropriate and ineffectual ways (e.g., current review procedures, the lack of clear priorities for Challenge Programs, etc.).

The CBC believes it can collectively make a significant, value-added contribution to a more proactive approach and encourages other stakeholders to do so as well. The CBC intends to review and, where necessary, suggest refinements to the selection process and criteria and to submit a list of candidates that the CBC believes meet the selection criteria – including a range of candidates who are new to the CG System and people who have significant level and breadth of experience with the CG System.

D. The Executive Council (ExCo) and its Program Committee

The CBC and CDC greatly value our involvement in ExCo and believe it is making a positive contribution to the reform of the CG System. We remain uncertain about the intended function of the ExCo Program Committee in relation to the Science Council. While we fully support the involvement of a variety of donor and stakeholder perspectives in providing input to the AGM on strategic priorities, relevancy, and applicability of the research that is conducted in the CG System, we

believe the Science Council should remain independent. Therefore, we strongly urge the ExCo to clearly separate the roles and functions of its Program Committee from that of the Science Council. Specifically, the Science Council should report directly to the CG Members through the AGM and the ExCo should refrain from having the SC's advice and council be filtered through the ExCo Program Committee.

We also recommend that the ExCo should periodically evaluate whether it is fulfilling its intended mission and function within the CG System, especially with regard to the intention set forth in its Terms of Reference that it should not become a defacto decision-making body for the CG Members, but rather to take its direction from the Members through decisions taken at the AGM.

E. Challenge Programs

The CDC and CBC believe the Challenge Programs have brought about many positive changes to the CG System. At the same time, however, we are deeply concerned that if certain problems with the CPs are not addressed, they will have a significant detrimental effect on the long-term health and viability of the CG System. While CPs are responding to the priorities of national governments and other key funders, we believe the lack of a coherent System-wide programmatic strategy is a major impediment to achieving the mission of the CGIAR.

We stress the urgency of ExCo taking steps to initiate a process that will lead to the establishment of a clear System-wide programmatic strategy. Such a strategy will provide the basis for setting priorities for determining what CPs should be pursued. It will also help to ensure CPs truly are bringing in new sources of funding rather than resulting primarily in the reprogramming of traditional funding sources. The new approaches to governance that are being utilized in the CPs to-date have allowed us to forge new partnerships and positive working relationships. At the same time, care must be taken to ensure that the transaction costs associated with new models of governance do not escalate. Finally, if funding for CPs comes at the expense of the core funding for the Centers, we are deeply concerned about the consequences for the long-term financial health and well being of the CG System. In this regard, the CBC strongly endorses the Financial Criteria for Challenge Programs that the CDC has already submitted to ExCo.

F. The Annual General Meeting

While the CBC and CDC support the elimination of the Mid-Term Meeting and the move to conduct the Annual General Meetings (AGMs) in developing countries, we see ample opportunity for improving the AGM. We recommend that there should be a clearer separation between those portions of the AGM that are devoted to diplomatic objectives, substantive/scientific objectives, and CG System business objectives. In addition, there should be a minimum of two days devoted to CG System business objectives at the AGM. With regard to the location of the AGM, we believe there are significant benefits to conducting the AGM in

developing countries as well as in Washington D.C. Accordingly, we recommend that it be held in Washington D.C. every other year, starting with the 2004 AGM, and in alternating years that it be held in other locations in both developing and developed countries. This recommendation should be considered in conjunction with the recommendation for a new type of forum outlined below.

G. Increased Dialogue and Exchange of Knowledge on Agricultural Research and Development

The elimination of the MTM and the new approach to the AGM have highlighted the need for more frequent and substantively-oriented dialogue and exchange between the Centers, the donors, our partners, and the users and stakeholders who are affected by or rely upon our research. The CBC and CDC intend to explore the possibility of periodically conducting a conference or some other type of event that will be designed to increase the dialogue and exchange of information and knowledge on agricultural research and development. The event will be to provide a regular opportunity for the Centers to interact with donors, our partners, and the users and stakeholders who are affected by and rely upon our research on matters on issues of substantive and strategic importance. The precise substantive focus of each event would differ and could be driven by the most interesting or promising research emerging from the Centers and the needs of our donors, users, partners and stakeholders. When the Science Council is established, the CBC and CDC would welcome its involvement, along with the donors, our partners, and other stakeholders in helping to shape the agenda. We intend for this event to take place in a developing country. We also intend for it to be held early in the year on a regular, planned basis so as to avoid any conflicts with the AGM. We seek input on the frequency that such an event should be conducted, but we intend to actively begin to initiate the planning for the first conference in early 2005.

H. Review Processes

1) External Programme & Management Reviews (EPMR)

The CBC and CDC believe that separate management and programme reviews do not work and we find them to be unacceptable. The linkages between science and its management and delivery (the management of science to produce impacts) are totally missing with such an approach. The experience with a split review of the ICRISAT is a case in point. While the External Programme Review (EPR) Panel had a chance to interact with all members of the Governing Board of ICRISAT, this was not the case with the External Management Review (EMR) Panel. Accepted practices and procedures for conducting EPMR reviews appear to have been abandoned. For example, while the iSC was involved in the EPR it was not involved in the EMR. The CG Secretariat managed the EMR process. In general, there was a lack of regard for the time and resources the review process imposes on the Center as a whole. The CBC and CDC recommend the ExCo bring these two review processes back together and rapidly return the control of EPMR review process to the iSC and, once it is been established, the SC.

2) Restructuring Reviews

In reviewing the process and results of the recently completed ISNAR Restructuring Review Team many felt the process used to conduct the review used procedures that are different to those normally applied in the CGIAR and the conclusions of the Review Team went beyond the Terms of Reference, which specifically states that “the option of phasing out ISNAR will not be considered.” For example, ISNAR as an institution was not invited to make comment on the outcome of the review before it was sent to ExCo, nor has any senior ISNAR official been invited to participate in the ExCo session at which the report of the Review Team will be considered. The CGIAR is in the process of a major strategy and planning exercise, the results of which will almost certainly conclude that an expansion of ISNAR services and activities is needed. The aim must be to keep the ISNAR mandate alive whilst strengthening its presence in Africa with links to ARIs and NARs. Consistent with the Terms of Reference for the review, we believe the ExCo should pursue a course of action that leads to innovative management and governance solutions that maintain the integrity of the ISNAR mission and program. We also urge the Transition Team to ensure that a fair and transparent process is used in restructuring the staff compliment.

I. Strengthening Public Awareness and Resource Mobilization in CGIAR

The CDC and CBC continue to recognize the crucial importance of effective public awareness to bolster the system’s efforts to mobilize traditional and nontraditional resources in support of international agricultural research. In recognition of the wide range of perceptions about the role and impact of the Future Harvest Foundation (FHF) in contributing to these important objectives, in early 2003 the CBC and CDC commissioned a review of the Foundation’s mission, role and performance. The review was conducted by two experienced consultants, and involved interviews with a total of 51 stakeholders across the CGIAR. The review underscored the critical importance of public awareness at the System level. It recommended that there is a need for a thorough rethinking of the public awareness and resource mobilization functions within the CG system. It requires a redefinition of the highest priorities, aligned with external realities. It proposed that there be a reallocation of responsibilities within the System in the interests of coherence, effectiveness, and efficiency. And it urged that the Group as a whole, and not the CDC alone, to endorse and appropriately finance these functions, if the objectives are to be achieved. Further, the review recommended that a common board of the Foundation and PARC be organized to include individuals that are representative of a much broader range of stakeholders, including donors, partners from the northern and the developing countries members of the Group, the private sector, and experienced communications practitioners.

The CDC and CBC in principle endorse the “4R” option proposed by the Review Team – to Redefine, Reallocate, Relocate, and Resource. Given the divergence of opinions about FHF, the CBC and CDC endorse the need to address the many issues raised about the organization and to forge a consensus on its future mandate, priorities, location, and resourcing. We underscore the importance of having a fully integrated strategy for public awareness and resource mobilization that is supported by the Group, and that it is implemented in a coordinated manner by all key parts of the system. We will therefore be working to have this issue taken up by the Group during AGM03, and look to the Group to provide guidance and endorsement for a truly integrated strategy on public awareness and resource mobilization that can be enthusiastically supported by all.

III. CONCLUSION

We bring these matters to your attention for your information and, where appropriate, action. We hope and trust you will share our concern and our sense of urgency of the need to address these important issues as we pursue our common purpose of achieving the mission and objectives of the CGIAR System.