

## REPORT BY THE CHAIR OF THE CGIAR CONSORTIUM BOARD

### Fund Council Meeting – April 5 & 6, 2011 – Montpellier, FR

I would like to thank the Fund Council for this opportunity to report on developments in the Consortium since the Fund Council meeting held on November 2010.

I feel I can safely say that during that period, we have continued to make significant progress in various fronts.

#### I. STRATEGY AND RESULTS FRAMEWORK (SRF)

At the last Funders Forum in July 2010, the Chair of the Consortium Board was requested to take responsibility for producing a revised version of the SRF taking into account a number of issues, gaps and concerns raised by donors and other stakeholders at that meeting. The crucial importance of the SRF as the strategic expression of the reform process was highlighted, and a sense of urgency was conveyed for its finalization and approval.

We have responded to that request by submitting a new SRF document for the consideration of the Funders Forum at its meeting on April 7 here in Montpellier. We will have an opportunity to introduce this subject in detail at that meeting and will not go into details in this occasion. Suffice to say that the new version of this document, addresses the concerns expressed at the previous meeting. It identifies the evolving context of international agricultural research and the role of the CGIAR over the coming years on the basis of its comparative advantage. It defines the four strategic system level outcome (SLOs) that should be pursued in future international agricultural research, namely reduction of rural poverty, increase in food security, improving nutrition and health and more sustainable management of natural resources and it identifies thematic areas in which the CGIAR needs to have strong competencies in order to be able to carry out the research needed to face the new challenges facing world agriculture. The

CGIAR Research Programme (CRP) is designed as the key instrument to achieve this greater alignment of research outputs with the selected four SLOs. The CRPs will make explicit the execution of CGIAR research within an AR4D framework that allows a clear linkage between investment in the CGIAR research and the potential impact on development outcomes in collaboration with research and development partners. The key role of partnership to reach concrete impact on the ground through the elaboration of an impact pathway for each CRP is highlighted in the document. It also provides guidance as to how the Centers research efforts in producing international public goods will interact with the work of other national, regional, and international organizations, as well as other relevant development stakeholders and partners to achieve development impact. Finally, the document addresses a number of important governance management and institutional issues and makes a number of recommendations to be taken into account when looking at the future.

In spite of the limitations inherited from the less than perfect process for the development of the SRF and the portfolio of CRPs, the Consortium Board firmly believes that the approval of these documents will be a major step forward in the new CGIAR system that is taking shape. The SRF as well as the CRPs should be considered living documents that will evolve and be adjusted to respond to new developments, opportunities, and changing realities too. The document suggests the adoption of a pragmatic transition period in which the CB and proponents of CRPs will endeavor through certain adjustments and alignments to better bring into line with the SRF the areas needing attention in the CRPs.

## **II- CRPs**

Following the approval of 2 CRPs (GRiSP and Climate Change), at the Fund Council November 2010 meeting, efforts were continued by the proponents in consultation with relevant stakeholders to convert all concept notes from the rest of the CRP portfolio into full CRPs. They were the subject of in-depth assessments by 4 external reviewers (one related to Gender) and also examined by the Consortium Board. All of them were returned by the CB to Centers with

concrete recommendations and guidelines for further improvements. New versions of these documents were further reviewed by the CB in order to ascertain whether they complied fully with the Joint Evaluation Criteria established by the CB and the ISPC. In 2 cases, it took up to 5 versions before the CB was able to give its approval.

Eight CRPs have now been approved by the CB and sent to the Fund Council for consideration. These are: CRP 1.1 “Integrated agricultural production systems for the poor and vulnerable in dry areas”; CRP 1.3 “Harnessing the development potential of aquatic agricultural systems for the poor and vulnerable”; CRP 2 “Policies, Institutions, and markets for enabling agricultural incomes for the poor”; CRP 3.1 “Wheat: Global Alliance for Improving Food Security and the Livelihoods of the Resource-poor in the Developing World” ; CRP 3.2: “MAIZE – Global Alliance for Improving Food Security and the Livelihoods of the Resource-poor in the Developing World”; CRP 3.7 “More Meat, Milk and Fish by and for the Poor”; CRP 5 “Water, land and ecosystems”; CRP 6 “Forests and Trees, and Agroforestry: livelihoods, landscapes and governance” and they will all be presented by its Sponsors to this meeting.

In submitting the proposals for the approval of the Fund Council, the CB would like to recognize the significant efforts deployed by the Centers in drawing on the capacities and competences that are available in the Centers and in other outside partners, to fulfill the vision of the CGIAR.

The CRPs as the operational arm of the SRF are designed as instruments to achieve greater alignment of research output with system-level outcomes by exploiting synergies across Centers.

### **III- SCOPING STUDIES**

As you are aware, the CB commissioned 2 scoping studies on Gender and on Genetic Resources Cross-Cutting Issues. These documents have now been completed and have been distributed for information to Fund Council Members. The Gender study recommends the best way to

integrate Gender into all CRPs, which is the essential objective of the reform process. The scoping study concluded that the CRPs are potentially the ideal vector for Gender mainstreaming, and suggested recommendations and guidelines on how CRPs should address this issue. The CB at its meeting in Hyderabad endorsed the scoping study and decided that a transitional period of six months from the moment of the approval of the SRF should be given to the proponents of all CRPs to revisit the Gender component of the current proposals and adjust them fully to reflect this decision. In the strengthened proposals, CRPs would include the description of the activities pertaining to Gender at each stage in the life cycle of the SRF from Planning to Monitoring & Evaluation. Each CRP proposal should clearly identify in their submission a separate section of the budget that addresses Gender issues. The CB will provide specific guidelines to the CRPs to facilitate this process and will exert the needed leadership in the system in order to ensure the successful implementation of the recommendations from the scoping study. The consortium is working with a Center DG working group, Gender and Diversity, and other experts to gather perspectives on the scoping study and to develop potential concepts for a Gender Strategy to be considered at the May Consortium Board meeting.

The scoping study on Genetic Resources Cross-Cutting Issues has just been submitted to the CB and its recommendations and conclusions are currently being the subject of an analysis by another working group formed with Centers, to consider their perspectives, and develop potential options for consideration by the CB at its May meeting.

A separate study commissioned by the CB and the Global Crop Diversity Trust (GCDT) on the determination of the costs of the gene-banks that correspond to the creation of benefits in perpetuity, for mankind, has also been completed and submitted to the Fund Council for consideration and approval. This item has been included in the agenda of this meeting for consideration in April 6 and we will come back to it. The CB is requesting that the Fund Council, in recognition of this unique and very long-term global public good, should fund this part of the genebanks through Window 1.

#### IV- CONSORTIUM OFFICE

The Consortium Office (CO) is operating since March 1<sup>st</sup> in Montpellier and the recruitment of staff is undergoing. Considerable time and effort has been devoted by this office to the negotiations of legal documents with the Trustee. The situation regarding the Joint Agreement (JA) has already been introduced by the Chair of the Fund Council and will be the subject of a separate agenda item.

The Consortium Office developed and distributed to the Fund Office on March 11 draft documents for external stakeholder consultation the '*Consortium IP Principles*', and its companion, an IP briefing paper entitled '*The Intersection of Public Goods, Intellectual Property Rights, and Partnerships: Maximizing Impact for the Poor*'. The '*Principles*', once approved, will form part of the Common Operational Framework. The objective is to provide a common set of principles that fully support the mission of the Consortium and its Centers. A number of consultations have been performed and comments received from both Center DGs and Center IP experts, as well as an 'ad-hoc' Donor working group (including Bill & Melinda Gates Foundation, FAO, USAID, and European Initiative for Agricultural Research for Development), as well as various internal and external consultants. We welcome additional constructive feedback from the members of the Fund Council and Funders Forum.

With regards to the recognition of International Organization (IO) status for the Consortium, progress has been made since our last meeting, although it has been slower than anticipated. The Consortium is continuing to talk to a number of countries about supporting its effort to gain IO status and several countries have indicated their willingness to sign the Agreement Establishing the Consortium as an IO. The Consortium has also identified several countries whose signature does not require parliamentary approval, which will help speed up the process

of entry into force of the Agreement. The Consortium's Legal Counsel, after discussions held with specialists in international public law (e.g., World Bank, FAO, French Foreign Ministry), is currently finalizing the text of the Agreement which requires a few minor modifications. In order for the Agreement to enter into force as soon as possible, we will adhere strictly to the number of states that it is required to sign/ratify the Agreement from a legal point of view, i.e. 2 states. A meeting with a number of donors will shortly be convened to consider the new text. The new text will then be circulated to all Fund donors for consultation, before the final text is deposited with the French Foreign Ministry and the Agreement officially opened for signature. This is considered a priority by the CB for the next few months.

#### **V- INDEPENDENT EVALUATION AGREEMENT (IEA)**

On December 3, 2010 the CB Chair wrote to the Fund Council Chair expressing that the Consultancy commissioned by the Fund Council to develop and establish an Independent Evaluation Arrangement for the CGIAR, was an excellent opportunity to provide guidance on the most effective and efficient way in which the roles of M&E by the different governance structure of the CGIAR System should be organized for the benefit of the CGIAR System as a whole. At the February 2011 meeting in Hyderabad, the CB as well as the Centers had the opportunity to convey our views to the Consultants in this respect to ensure the reduction of costs, time, bureaucracy and above all, avoid overlapping and duplication. At the end of March the CEO, ISPC and IEA attended GRISP M&E meetings at IRRI, to understand the key practicalities around the development of M&E at the CRP and System level.

#### **VI- STREAMLING OF CRPs REVIEW PROCESS**

At the last Fund Council meeting, I had the opportunity of proposing a more efficient and effective way of working together with the ISPC in evaluating CRPs, and I look forward to continue this discussion at the present meeting. The consortium would again like to request the Fund Council approve a virtual process being currently discussed jointly by the Consortium

Office, Fund Office and ISPC, to ensure a staggered process that could resolve the backlog of CRPs still pending review by the ISPC and approval by the FC.

## **VII- EUROPEAN DONORS VISITS**

I would like to join Inger Andersen's opening remarks by associating myself with the satisfactory outcomes of the visits to European Donors that we jointly undertook last March. That mission will be complemented in the future by visits to the US and Canada, and subsequently other European Donors.

## **VIII- OUTREACH ACTIVITIES**

We feel that with the current commodity price volatility concerns and the incorporation of this issue as a priority G20 agenda item, the time is ripe for the CGIAR to press the case for a better environment for International Agricultural Research and for a significant expansion of its funding. The CEO contributed to a World Bank, FAO, and IFAD paper for the G20 and the Chief Science Officer gave a keynote address on how the new CGIAR contributes to food security, poverty alleviation, better nutrition and sustainable resource management to the meeting of the Aquila Food Security Initiative currently taking place in Paris.

## **IX- STABILITY OF FINANCING**

The current estimate of required stability financing from window 1 for the period January-June 2011 is \$46 million for CGIAR centers. This amount has not been paid out because we understand there are not sufficient funds available in window 1, and also because at this time no disbursements from window 1 are possible since the conditions for release have not been met (SRF and Joint Agreement approval). We look forward to a positive outcome on these 2

documents this week. The calculation of the second half of 2011 center entitlement will be completed when the full timetable of CRP implementation is known. The amount required will depend on the rate of implementation of CRPs, as well as other factors such as individual donor contributions of unrestricted funds from window 3 or bilaterally, and disbursement from the genebanks proposal. A current estimate of the total 2011 stability funding requirement from window 1 is \$75 million.

#### **X- CONSORTIUM 2011 BUDGET APPROVAL**

The Consortium Office and Board budget was approved at the level proposed following the February Consortium Board meeting, with one change - the inclusion of resources (\$150,000) for the implementation of a gender strategy. Concepts for this strategy will be developed for consideration at the May CB meeting, and implementation will begin later in the year. To accommodate this new cost, we have postponed or reduced other activities elsewhere in the budget. Finally I would like to highlight the center-led development of the One Corporate System (OCS), which potentially provides a critical support and reporting tool for CRPs as well for consolidation at the overall portfolio level. This multi-center, project management, financial accounting and HR system, supported by the Consortium Office, has been under development for well over a year and promises to improve reporting capabilities across centers and at system level.