Fund Council
13th Meeting (FC13)—Bogor, Indonesia
April 28-29, 2015

WORKING DOCUMENT

Comments on final draft of the options paper
(as of April 22, 2015)

Submitted by:
Fund Office
Comments on the final options paper (dated April 8, 2015)

Also available at www.cgiar.org/cgiaroptions.

Sender, date received in the Fund Office

1. Jurgen Anthofer (EIARD), 22.4.15
2. Nick Austin (Australia), 20.4.15
3. Jeremy Bird, 17.4.15
4. Ruben Echeverria, 16.4.15
5. Shenggen Fan, 18.4.15
6. Lynn Haight, 17.4.15
7. Mark Holderness (GFAR), 17.4.15
8. John McIntire, 15.4.15
9. Tony Simons, 16.4.15
10. Alisher Tashmatov (CACAARI), 16.4.15
11. Camilla Toulmin, 17.4.15
12. Ann Tutwiler, 17.4.15
13. Ren Wang (FAO), 17.4.15
Dear Maxine,

Please take note of a further suggestion to move the governance issue forward taking into account that we could not arrive at a common EIARD position to agree on one of the four options. So this does not represent an EIARD position but a contribution to the debate in finding a solution where many members remain on their favorite option. Please spread these inputs among the other members of the FCGC. Thanks.

Best regards,

Juergen

Dr. Jürgen ANTHOFER
Executive Secretary

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EIARD suggestion on governance

EIARD has been reviewing the different governance options. We agreed on the analysis presented in the report setting out the weaknesses and challenges inherent in the current model. However, we found it hard to reach on a consensus position on a single option. In response to this we would like to suggest a two-tiered board option. The objective is to strengthen the overall governance:

- separating management from strategy
- removing the ambiguity of the Co Office
- providing scope for strong leadership

We think also that this would enable much more strategic engagement of the ISPC in the science agenda of the CGIAR.

What we propose is the separation of roles and responsibilities through the establishment of a **Policy Board** and a **Management Board**. The indicative functions are set out below:

**Policy Board (Objective and priority setting, oversight - supervisory)**

- Establish the overall Results Framework (RF) and priorities for the CGIAR
- Approves system strategy and funding
- Appoints Mgt Board
- Sets system policy (e.g. gender)

**ISPC (administratively at the management office but advice independent):**

- Advises the Policy Board on global priorities for agricultural research and the CGIAR
- Comments on CRP proposals

**Management Board (executive arm of the Policy Board) fiduciary and programming**

- Accountable to the Policy Board
- Develops a strategy responding to the RF
- Composition of the Board? (technical and management experience professionals, Centers are active observers)
- Appoints CEO
- Sets standards
- Approves risk mgt frameworks and monitoring risks
- Approves communication strategy
- Commissions reviews

Management Office (executive arm of the mgt board) fiduciary and programming

In summary,

- it is a one-pillar system with one accountability hierarchy instead of confusion.
- it separates policy from management
- it merges two offices, thus reducing confusion and duplication
- it provides for CGIAR leadership, vested in a strong executive office with an explicit public profile

We want to stress that this is not a finalized version but work in progress towards a potential solution.

Questions the FCGC may want to consider:

- Management Board: How many and who?
- Is the Management Office CEO on the management Board and if yes, in what function?
- Other question?
Two-tiered Options: streamlined decision making with clear responsibilities

Policy Board

Management Board

Management Office

ISPC

IEA

OVERSIGHT and STRATEGY

FIDUCIARY and PROGRAMMING

IMPLEMENTATION
Options for CGIAR Governing structures and decision making

Introductory comments

In essence this paper is a refinement on the previous draft with some added detail. As such many of the earlier comments on the draft still have currency and do not need repeating. A key change in this final version is that the five earlier options have been condensed into four options with many of the same considerations. The premise in this paper is that the CGIAR reform process has fallen well short of expectations (see previous). This is well documented in the paper and, if this is accepted by Council members, it strongly suggests that a more radical change to governance and structures is required. Before assessing the options there are a number of important overarching issues that need recognition:

- A driver of the reform process initiated in 2008/2009 was for greater inclusiveness of donors and developing country stakeholders in the partnership processes of prioritisation and decision making. For this reason the Council was expanded to include both OECD and non-OECD developing countries (including GFAR and associated forums) on a regional basis as members. Inclusiveness and efficiency are not always compatible, but changes that dilute the participation of developing country representatives and smaller financial contributors on the Council will likely encounter significant controversy.

- The boundaries between the Fund Council and Consortium and their respective offices is clearly a source of non-productive tension and confusion. This is accentuated by the dual role of the Consortium as facilitator and regulator resulting in real concerns in the Centres that their position and viewpoint(s) are not being properly included. It is nevertheless difficult to find a single viewpoint across fifteen centres, and it was the fragmented approach of Centres and donors that caused the CGIAR to consider a new reform that achieved greater cohesion and common purpose.

- A further driver was to achieve predictability and pooled research funding. This was fine in theory, but failed to recognise that long term financial commitments may not be possible for some donors under national budget procedures. The pooling of all contributions to CGIAR was an objective of some but not all donors, and this required the multi-channel (three windows) approach despite the associated inefficiencies and transaction costs. Many donors are still not prepared to pool all contributions for a range of reasons.

- The review of comparator partnerships was valid but probably of limited application since the comparisons are with legal entities that do not have fifteen constituent organisations across a range of countries. This characteristic of the CGIAR is a strength in terms of specialisation of disciplines and linkages to host developing countries, but is also a significant part of the governance and management problem. The degree of centralisation and subsidiarity is part of the organisational tension.
The practicalities were previously summarised against each option, and it is clear that each of the four remaining options will have risks and consequences. The present 'business as usual' model seems to be destined for inevitable change, otherwise the MTR and follow on options paper has been a wasted exercise. In deciding on a 'best fit' option for the future the Council will need to address the balance of business and managerial efficiency alongside a commitment to consultation and inclusiveness. Close attention is also needed to the timing, implementation and communication of any new option once this is agreed.

Given this background donors will have to determine what is the paramount principle and the best option or mix of options to achieve less complexity and more clarity while meeting the multiple objectives inherent in a multilateral research arrangement.

Comments on the four options

Option 1: Modifications of the existing system structure and decision-making processes and accountabilities

This is a minimalist change option based on a more defined functional emphasis rather than real changes to the structures. As acknowledged in the paper many of the existing problems are likely to continue. It would add to the size and composition of the Consortium Board which is questionable. Moreover a smaller Fund Council may be desirable but would be contrary to the inclusiveness principle that was to be a cornerstone of the reform. The potential for conflict of interest if the Centres are members of the Consortium Board needs further assessment.

It is also questionable whether having the Centres as "active observers" at Fund Council really gives them influence, but will add to numbers at Council meetings. The allocation of voting rights at Council according to financial contributions is likely to lead to a level of disharmony and possible reduction in funding by smaller contributors. This option seems to carry risks that are disproportionate to the level of change.

Option 2: Change in the nature of the Consortium to focus on its role as a cooperative of the centres for coordination and shared services and oversight role to be placed in a strengthened Fund Office

There is some level of appeal in focussing the Consortium role to be essentially a coordinator and representative of the Centres while oversight is transferred to the Council office. In this situation having Centres on the Consortium Board is less conflicted. A strengthened ISPC would be needed to advise a more responsible Fund Office and Council process. It would be preferable in this situation to have the Consortium as a Council member representing the Centres rather than having numerous Centres as "active observers". If Centres are on the Consortium Board they should be more confident that it can represent and lobby for their combined views at council.

This option has more real change potential, but the suggestion of reduced Council membership remains fraught. Provided the roles are clear there is less chance for duplication of functions.
Option 3: Two governing bodies (Fund Council and Consortium Board) with one administrative/management office for the CGIAR

This is essentially a version of Option 2 above but with one office to avoid misunderstandings. There is no clear advantage or disadvantage apparent from such a merger. It is likely such a joint office would be more Council-oriented as the final decision-maker, and the Consortium as representative of the Centres may feel their role is not independent with the 'two masters' arrangement. Much will depend on how independent the revamped Consortium is expected to be in representing the Centres to the Fund Council. In the business world subsidiary companies frequently have their own executive offices to ensure commitment but there is no clear cut rule here.

Option 4: One governing body with one administrative/management office

This option is the most radical and probably the best suited in terms of reduced complexity, effective decision making and streamlined management. To some extent it represents a return to the former Executive Committee structure pre 2008. The inclusion of a Centres Committee would enable the Centres to advise and represent to the Council in a similar way that a Consortium may do in Option 2 above. This is important for both the Council and the Centres to work in reasonable harmony and consultation. It is highly questionable whether the Centres Committee should be chaired by the Director of the administrative/management office as recommended. The Director's position is not compatible with the role of such a committee.

As with the previous Executive Committee, this option suggests a Council composed largely of donor representatives with other stakeholders being ‘active observers’. This is likely to be contentious, especially if Council voting is also dominated by larger donors, and possibly detrimental to the CGIAR despite the business case for this arrangement. Any decision would need full consultation with all stakeholders to minimise potential damage and this will take time. The legal status of such a Council and office may need further advice depending on location.

Consideration of next steps

Not surprisingly all the four options have varied considerations given the paradox between efficiency and inclusiveness in public good international research management. Any disruptions at a time of launching a new SRF and CRP call needs to be taken into account.

One way forward could be to combine elements of the four options into a balanced fifth 'hybrid' approach by:

- Retaining the current inclusive Fund Council membership largely intact despite the size concerns, but appoint a smaller influential Council Management Committee (comprising Council members) to work closely with the administrative office in filtering issues with some delegated authority from the larger Council to address and resolve non-strategic issues
- Transfer more administrative and oversight authority from the Consortium office to the Fund Council office, leaving the Consortium and its reduced office to focus on coordination, cooperation and representation functions, with direct input and Board membership from the Centres together with some suitably skilled independent members. The Board could be rebranded as a Centres Consortium Committee. This would help to answer some Centres concerns over representation of views.
Subject to legal details the Fund Council and strengthened office will take charge of the main CGIAR management functions, including overseeing the CRPs and resource mobilisation in consultation with the Consortium Committee and office. The Chair of the Consortium to be a full ex officio member of the Fund Council.

Concluding comment
It is likely that donors will have differing preferences - or, indeed, additional suggestions – for governance options. In many ways, it is less important which option is chosen, that a decision is actually made. The worst possible outcome would be that the Fund Council at FC13 in Bogor is unwilling or unable to reach agreement on an option, and to move forward with confidence.
3. Jeremy Bird, 17.4.15

Subject: RE: Final Report From The Options Team (FC-13-0409-2015)

Dear Patricia

We add our appreciation for the job the team has done in a tight timeframe.

We generally support the comments from Tony and Ruben and the preferences they state including support primarily for Option 4, and following that, Option 2. Inevitably more work will be needed to flesh out details in any chosen option and we hope there is an opportunity for involvement in that process once a decision on the broad brush strokes has been taken by the FC. For example, we are also concerned about an apparent imbalance in the composition of the Council proposed in option 4; in the details of how to strengthen the ISPC for its vital role; and for the skills and the capacity of the single Office (which is critical to the success of this initiative to provide strategic direction, reduce transaction costs and minimize potential for miscommunications) and that requires skill sets to build trust and confidence in the system that are currently lacking.

On a point of detail, we did see that the role of the Office in profiling the CGIAR on the global scene has apparently been lost from the other functions identified. This is a partnership of all involved.

Thanks again and best regards
Jeremy
Dear Options Team,

reflecting on the final version of the document, product of your hard and productive work, we at CIAT now believe that Option 4 should be pursued. Yes, we can live with and continue to have marginal improvements under Options 1 and 2. We continue to believe that Option 3 is unworkable. Recent examples of lack of coordination and foresight of CG offices plus lack of dialogue among the two current boards on CRP (the pillars of the reform) budget cuts are a fresh example that the current separate structures would not provide the much needed momentum to get the CG where it belongs. Hopefully, your report will promote a strong decision at the forthcoming FC. If Option 4 gets consensus, we believe that the composition of the proposed CG Council should be carefully assessed; the current proposal for such composition has too many voices, which could set us back to a large committee where everyone may want to be pleased.

Best regards. Ruben and Wanda
Dear Patricia and the options team:

After careful consideration, IFPRI Senior Management and Board support Option 3 – “Two governing bodies (FC and CB) with one administrative/management office for the CGIAR.” However, if most Centers support a different option (for example option 4), we are willing to go with the majority to move this decision forward and to support its implementation. Kindly see our rationale for this decision and not choosing the others below.

Option 1: Seems complex, and also does not seem to resolve the conflicts between the Centers and the Consortium. Additionally, it does not resolve the need to improve cost effectiveness of the management of all the system and could imply even more duplication. It is not clear what the role of the proposed observers would be.

Option 2: Our main concern with this model is with the Consortium board composition. If the Consortium Board includes CRP directors – it is not a cooperative model. Will the 2 center representatives on the Fund Council be enough? In addition, this option does not address how to make the Consortium Office more efficient.

Option 3: IFPRI’s preferred option. The main issue currently affecting functioning of the Consortium vis-à-vis the Centers is the lack of coordination between the Fund Office and the Consortium Office – which would be eliminated by combining the administrative/management office for the CGIAR.

A cooperative structure for delivery of system-wide public goods and services is desirable, and establishing this as the role of the Consortium would be positive. The Consortium could then focus chiefly on system-wide public goods and services. A clear statement that the Consortium has voice but not decision power in resource allocation and regulatory functions is important. The resource allocation should be done by the reformed Fund Council.

If one administrative unit is established, the staffing structure and job profiles would have to be revisited. It might be important within that administrative unit to separate the staff who manage the system-wide public goods from those who handle regulatory and resource issues. Also, there needs to be much more clarity on the role of the World Bank if we are to move forward with this option.

Option 4: We feel that this option would be too disruptive (especially as we gear up to develop Phase II CRP proposals) and the mega board would not gain efficiencies and would also be tricky to manage. With one governing body, this option would still have a Centers Committee and presumably a separate donor entity (although not mentioned explicitly). Transaction costs would remain high and Centers would continue having internal challenges coming to consensus. How would the CGIAR Council mediate within these 2 groups and between these 2 groups? However, if there is a well-developed transition plan and if the research and the 2nd phase of CRPs are not disrupted, IFPRI is also ready to support this option. But we don’t see this plan yet.

Best Regards,

Shenggen
Dear Patricia and team

**Consortium response to Final Report of the Options Team, 8 April 2015 (Revised)**

I am sure that I am echoing the views of many when I commend the team for getting to the end point in your detailed review of CGIAR’s governance system. The time period to undertake the work was relatively short, and there was much to seek to synthesize in the clearest of ways.

As your work continued, so too did ours – with a very productive Consortium Board meeting in Mexico under the new modality of increased Center engagement – a new approach that was highly appreciated by all. Based on constructive inputs at the Board, including from our observers, post-Board discussions resulted in the Consortium Board’s approval of our proposed 2016 – 2030 Strategy, as part of an integrated Strategy and Results Framework (SRF) that aligns fully with global priorities. I attach the Strategy’s 2 page summary – the outcome of highly collaborative efforts across the CGIAR system as a whole.

Appropriately, the Fund Council will spend considerable time in Bogor deliberating the options in your final report. What we believe is essential is that the right amount of time is also spent on the science and that the Strategy is approved, to set the shared future direction. Getting the governance right is critically important. However, if governance reform were to stifle Strategy implementation and, in particular, delay the 2nd Call process – this would be devastating for those who we collectively seek to benefit.

As the Fund Council considers the most appropriate outcome, the Consortium wishes to reiterate that we believe the following principles are essential and should be adhered to in putting in place a strengthened system, while taking care not to lose the clear benefits emanating from the reform we are still undergoing:

1. Absolute minimum of disruption of the Centers’ scientific efforts during any transition.

2. A measure of independence in the structure, so that effective fiduciary responsibility can take place in a transparent manner. This is needed to guard against a ‘rogue’ unit in the extended system that could bring down the whole, and should also ensure that the whole is greater than the sum of the parts.

3. A manageable board (for Consortium Board (CB) as well as for Fund Council (FC) if these continue to exist), which implies that there are voting processes in place to ensure that timely decisions are taken. Inertia in decision making at the very top of the system has proven to be a barrier to movement forward, and addressing this bottleneck should be a key priority in any further reform.

6. Lynn Haight, 17.4.15
4. An independent Chair of whatever the CB becomes, in all options, and in option 4 one to be appointed by an outside body.

5. A resource mobilization program that recognizes the different components of the potential donor base (traditional public sector donors; foundations; commercial entities; and high net worth individuals). This implies that execution of a resource mobilization strategy should not be under the control of the Fund Office (FO), and that all the components of the system (FO, Consortium, Centers) work on resource mobilization in a coordinated way.

6. Closer cooperation and communication between all CGIAR parts and respect for each other’s roles and responsibilities.

7. A strengthening of the parts of the system that oversee the construction of transversal research programs, their quality and their ambition, and the monitoring of them. This necessitates the continued existence, and strengthening, of both an internal science function (development, collaboration and routine monitoring) and a separate independent/external/advisory one (ISPC).

8. A requirement that traditional donors deliver more stable, predictable and timely funding if they are to have a serious say in the running of the system. An essential task of the FO being to anticipate the funding.

9. Recognition of the likely cost – both financial, in terms of human energy and risks for the system – of whatever changes are contemplated. If a major restructuring is contemplated, the time needed to rebuild the new legal system should be taken into account.

10. Maintenance of the Consortium Office in Montpellier and with International status intact in order to reduce one-time costs.

On behalf of the Consortium as a whole, I thank you again for your hard work. The FC will indeed have much to contemplate before it takes a final decision. Pragmatically, if a final decision is not taken in Bogor – we intend to continue with the collaborative reforms that we have put in place, and further strengthen collaboration across the system.

Best regards,

Lynn Haight
Board Chair
CGIAR’s 2016—2030 Strategy and Results Framework: Harnessing New Opportunities, summarized below*, will guide the development and implementation of an ambitious and bold portfolio of second generation CGIAR Research Programs (CRPs). Focused on selected grand challenges, it will attract investment and contribute significantly to the achievement of many of the Sustainable Development Goals by the end of 2030. Returns on investments in CGIAR over its lifetime have been evaluated at US$ 17 for every $1 invested.

**Vision**  
A world free of poverty, hunger and environmental degradation

**Mission**  
To advance agri-food science and innovation to enable poor people, especially poor women, to increase agricultural productivity and resilience, share in economic growth, feed themselves and their families better, and conserve natural resources in the face of climate change & other threats

**Strategic Goals**  
(System Level Outcomes)

1. Reduced Poverty
2. Improved Food & Nutrition Security for Health
3. Improved Natural Resource Systems & Ecosystem Services

**Key Strategic Targets**
- 100 million fewer poor people of which 50% are women
- 150 million fewer hungry people of which 50% are women
- 190 million ha degraded land restored by 2030

**Cross-Cutting Themes**
- Climate Change
- Gender and Youth
- Policies and Institutions
- Capacity Development

**Guiding Principles**
- Excellence in science
- Inclusive partnerships
- Advancing and accelerating gender equity
- Accelerating impact at scale
- Generating public goods with multiple benefits
- Outward facing and providing attractive investment opportunities
- Increasing operational efficiency
- Represent and demonstrate excellent value for money

* The full narrative of our 2016—2030 Strategy and associated Results Framework is available at: [http://www.cgiar.org/who-we-are/](http://www.cgiar.org/who-we-are/)
## Delivering on CGIAR’s mission: 2016 — 2030

### Strategic Goals and Planned Outcomes

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<th>1</th>
<th>Reducing Poverty</th>
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<tr>
<td>• 350 million more farm households have adopted improved varieties, breeds or trees, and/or improved management practices</td>
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<td>• 100 million people, of which 50% are women, assisted to exit poverty</td>
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<th>2</th>
<th>Improved Food &amp; Nutrition Security for Health</th>
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<tr>
<td>• 1.5-2%/year total yield increase of major food staples</td>
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<td>• 150 million more people, of which 50% are women, meeting minimum dietary energy requirements</td>
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<td>• 500 million more people, of which 50% are women, without deficiencies of one or more of the following essential micronutrients: iron, zinc, iodine, vitamin A, folate, and vitamin B12</td>
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<td>• 50% reduction in anemia rates of women of reproductive age</td>
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<td>• 33% reduction in women of reproductive age who are consuming less than the adequate number of food groups</td>
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<th>3</th>
<th>Improved Natural Resource Systems &amp; Ecosystem Services</th>
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<td>• 20% increase in water and nutrient (inorganic, biological) use efficiency in agro-ecosystems, including through recycling and reuse</td>
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<td>• 0.8 gigatonnes (billion t) CO₂/year (15%) less agriculturally-related greenhouse gas emissions compared with a business as usual scenario</td>
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<td>• 190 million hectares (ha) degraded land area restored</td>
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<td>• 7.5 million ha of forest saved from deforestation</td>
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<td>• 30 million ha of landscapes under ecologically and socially sustainable production and management practices</td>
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<td>• 50% of significant agricultural and tree biodiversity safeguarded ex situ, in situ and on farms</td>
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### Maximizing success: CGIAR Research Priorities designed to tackle global needs based on our comparative advantage

- **Genetic improvement of crops, livestock, fish and trees** — to increase productivity, resilience to stress, nutritional value, and efficiency of resource use.
- **Use system-based approaches to optimize economic, social and environmental co-benefits in agricultural systems** in areas with high concentrations of poor people.
- **Create opportunities for women, young people and marginalized groups** to increase access to and control over resources.
- **Enabling policies and institutions**, to improve the performance of markets, enhance delivery of critical public goods and services, and increase the agency and resilience of poor people.
- **Natural resources and ecosystem services**, focusing on productive ecosystems and landscapes that offer significant opportunities to reverse environmental degradation and enhance productivity.
- **Nutrition and health**, emphasizing dietary diversity, nutritional content and safety of foods, and development of value chains of particular importance for the nutrition of poor consumers.
- **Climate-smart agriculture**, focusing on urgently needed adaptation and mitigation options for farmers and other resource users.
- **Nurturing diversity**, ensuring that CGIAR in-trust plant genetic resources collections are safely maintained, genetically and phenotypically characterized to maximize the exploitation of these critical resources for food security, productivity, nutrient rich crops and resilient farming systems.

### Strategic Enablers

- Performance based management • Increased focus on capacity development • Improved CGIAR governance to transform decision making • Open data & informatics to drive informed research strategies • Improved resource mobilization to expand and diversify the investment base
GFAR stakeholder responses to the CGIAR Governance Options

1. General comments and overview of key issues

The Options team are congratulated for getting to grips with some major challenges within a short period. However, while the report does much to explore pros and cons of the functional relationship between different entities within the system, it leaves untouched some of the underlying causes of the governance problems encountered in implementing the reform and by nature of the system.

In choosing any future form of governance, key needs from the perspective of GFAR stakeholders are that the further reform should:

1. Bring greater clarity of purpose, management and decision
2. Be responsive to the legitimate voices of its clients - the intended partners and users of research
3. Avoid conflicts of interests and conflicts of roles between entities in the system.
4. Establish more transparent and efficient funding behaviour

We consider the drivers for change in the original reform, as set out by Kathy Sierra and noted by the Options team, still remain valid. Do the options proposed meet these four key tests? From their responses, GFAR stakeholders would contend that they address need 1 and to some extent 3 & 4 (depending on the options), but fall short on 2.

There is a widespread feeling among GFAR stakeholders that much of the current internal challenge in the systems governance seems to relate to behaviours and perceptions of authority/power, rather than to the new structures themselves:

As the Options Team report: 11. Based on the most recent evaluations of the CGIAR system, it is clear that the reforms were not successful in improving efficiency and effectiveness. There are a number of perceived ambiguities regarding the responsibilities, accountabilities, and decision-making processes by the various CGIAR entities. The system suffers from the lack of a clear long-term strategy as well as a shorter-term business plan. The lack of both continues to plague the decision-making processes. These problems are not a result of lack of clarity in the CGIAR agreement structure. They are primarily due to concerns about the broader governance arrangements of the CGIAR, in particular the unbalanced representation of key stakeholders, tension between the dual roles of the Consortium as facilitator and regulator, lack of trust and transparency in current decision-making processes and weak leadership in promoting a partnership culture. A fundamental problem is that centers do not consider themselves adequately represented in key strategic decisions and decision-making. At the same time, the centers are not adequately unified on issues confronting them to expect them to come together on their own as a group and take overall responsibility for the functions that the Consortium has been assigned.

Moreover: GFRAS find similar problems in the way each CRP is managed and its relationships with the constituents of each CRP including national research system, NGOs, Rural Advisory Services, Private sector etc. Lack of trust and transparency in decision making process and weak leadership in promoting partnership culture are also issues within CRPs. Some of these issues are discussed in the recent evaluation of CRPs by IEA. We need to address issues at both levels (above CRP level and within CRPs) together if the reforms have to achieve its stated objectives.

APAARI commented that the lack of predictability of funding (page vi item 13) is a huge challenge for the donor run system as a whole (not just in the CGIAR) and their lack of discipline and disagreement amongst themselves is the major factor contributing to system inefficiency. They feel strongly that the current woes of the CGIAR system are caused more today, and even yesterday, by donor indiscipline and internal argument amongst...
funding agencies etc. rather than lack of efficiency in the centers themselves. The report hints at this issue on page ix no. 27.

The changes required go to the heart of the system, which is not a self-contained entity, but exists in a complex world of multiple partners and is supported by donors who may themselves be using multiple funding streams, including a very significant amount of direct investment in Centers and projects, outside the Fund’s governance.

Moreover, relations with partners require effective governance in a public goods-based and essentially core-funded system:

The document itself emphasizes the need for enhanced trust between centers and contributors and more robust partnerships between the centers and outside stake holders. As APAARI states: This we believe to be absolutely key to the success of the system and to good morale amongst the scientists which is now badly affected by the current ‘administrative constipation’.

The document on page iv also claims that the Centers have substantially improved collaboration and broadened partnerships with key non-CGIAR research organizations. APAARI consider this is not true in most cases of such partners. As the university network GCHERA highlights: The challenge in achieving effective collaborations across the 15 CGIAR Centers is highlighted. Of equal concern is the failure of CGIAR to effectively partner with other research and education providers. CGIAR funding should be directly linked to the effectiveness of these partnerships. For example, the global university sector has huge capacity in terms of both research and training in the priority areas identified by CGIAR. However, the extent of engagement by CGIAR with the university sector (based on funding) is marginal at best. It can be argued that a closer working relationship between individual CGIAR Centers and the university sector would have even greater impact than increased collaboration across CGIAR centers, even though the latter is obviously desirable. Researchers in Europe felt: There are some emerging themes appearing in the discussions both high level and low level. One theme is the inaccessibility of the CG projects and funding by the European research and education institutions. There is a growing disillusionment about CG work among the European research stakeholders, since they feel that it is a fortress.

EFARD recognize a second theme appearing is the growing frustration among especially African policy makers and regional organizations about the lack of scaling type of work. They argue that there is too many trials in Africa and there needs to be much more emphasizing the scaling work. In scaling work CGIAR centers have a huge capacity gap. By being a global body of different stakeholder groups GFAR has a rare position to support scaling research and research buy in.

APAARI strongly supports the idea of better strategic science-prioritization advice and even perhaps more funding prioritization coming from the ISPC, but in turn they should not be allocated the role of impact assessment and result checking policemen which they had in the previous MTP era which led to deep resentment amongst Center scientists.

The need for clarity of role and purpose to drive governance

The absence to date of a working SRF creates significant problems for clarity of purpose and expected role of the CGIAR, in particular in regard to its role with regard to national systems and the need to effectively mobilize a wide range partners and their commitments alongside the system and its programmes, so that it clearly adds value to national capabilities and roles. CACAARI questioned the lack of attention paid in the report to the recognition and governance of partnerships for uptake: The theory of change and Impact pathway that SRF refers to, is too theoretical and linkages between SIDOs, IDOs and SLOs are highly hypothetical. Especially, my concern is that is not obvious how integrated research linked / is contributing to the SLOs. CGIAR Research Programs seems to be implemented autonomously from each other. It is not clear whether CGIAR alone is
going to achieve SLOs or together with Farmers associations, development programs, local governments, NGOs, National Development programs, Health, Industry and Services sector. I could not see the mechanism of addressing these issues in any governance options.

Stakeholders again asked where is the longer term vision of the CGIAR. The report identifies: (14) “Another critical issue that has been raised is the lack of a robust, science-based process for identifying research priorities for funding. Relating to this is the importance of having a long-term view,... It is not clear whether the reform resulted in a CGIAR that is well equipped to undertake research programs that will address both immediate and longer term needs” GFRAS’ response was: “Yes, both are important. But the most important aspect is how far the CRPs are going to address the capacity development needs of NARS and others in the region, so that there is a significant impact at a scale. Need to have more thinking on the capacity development dimension.” This was a view also strongly articulated by many partners into the SRF process – what is the vision of the CGIAR itself in relation to its evolving national partners of different forms and what kind of governance is required to achieve that? This is not simply a matter of investing in the CGIAR institution, but enabling its wider role and purpose in developing capacities and empowering its partners to take on leading roles themselves. Governance that considers only the use of funds within an internalized system would thus be regarded with great concern by a range of partners in both developed and developing countries.

**Accountability to the taxpayers providing funds is obviously the key driver for governance in the Fund Council. However, what is incomprehensible to many partners is why the options proposed apparently reduce the voice of stakeholders and system clients in decision making, let alone accountability to its clients, while stating a strong need for greater inclusion and representation.**

### 2. The Options proposed

GFAR stakeholders contend that much of the confusion and internal conflict apparent in the system results from the funding systems being used – whereby only a few agencies have bought into the idea of a centrally managed fund, while most funds, for logistical and institutional reasons, are still flowing to specific activities - via window 3 or in many cases a somewhat opaque “window 4” of direct project funds outside the CRP frame. Projecting budgets without assured funds has led to great year-to-year instability and management challenges for the CRPs and the options provided do not seem to address that core concern.

The Report states: While the level of funding has doubled since the reform process started there are also critical issues relating to the way that funds are raised, who has responsibility for resource mobilization, and how funds are managed and committed. The reform process did not achieve its objective of harmonizing the approach to funding from donors through the CGIAR Fund or improving the way cash flows from donors are managed. The lack of predictability of funding is a key concern. Projected flows based on informal communications with contributors are used to plan CRP funding even though such funding is not guaranteed.

Stakeholders also commented: as long as the bilateral funding remains dominant, the situation is unlikely to improve. I am not sure how far the donors are fully committed to the reform process, wherein the large scale funding directly flows into the common CGIAR pot.

Considerable concern is also expressed informally among partners that the enormous cost in time and money that was entailed in establishing the present structure may now be thrown away after only 5 years of operation, with a significant new time and financial cost entailed in more radical change. This at a time when the new phase of programmes needs to be built on solid and stable foundations.
GFAR stakeholders have articulated a range of opinions as to the best option among those proposed:

While option 4 may appear on the surface, and is presented as, a simpler and clearer structure, and therefore intrinsically appealing, both 4 and 3 entail considerable risk of disruption (time and cost to review and change all contractual arrangements), while everything should be done to preserve a conducive environment for the formulation of the SRF and formulation of the new CRPs and implementation within forthcoming months.

The reason for the two pillar structure was explicitly to separate the responsibilities of ‘funders’ and ‘doers’. Option 4 seems deeply compromised and conflicted in this regard. Selected centers are proposed to make decisions on the work and fund allocation to others, while the funders involved take on elements of direct management accountability for the work done. Option 4 goes back to something close to the pre-reform structure, without resolving the issues that led to the need for reform. It is not at all clear how conflicts of interest would be resolved within this structure.

Option 1 may appear more like ‘business as usual’ with the inherent problems identified, but the question here is to what extent can the behaviours and relationships between these entities be modified to build better working relationships between the parts?

In regard to Options 2 and 3, the original intention of the Consortium was to act as a ‘modern cooperative’, such as the example of Rabobank, whereby the Consortium level strategic decisions are made on behalf of the ‘mother’ centers and in support of their work. This has evolved rather differently with the Consortium Board being separated from the Centers in practice. Bringing greater Center representation into the Consortium Board would certainly help address this and bring greater integration and reduce perceptions of the Consortium Board dictating to the Centers.

We note great uncertainty regarding the role of the Bank and what is said under para 244, which is particularly convoluted and does not give any sense of the Bank’s willingness to continue to strategically engage and play a leadership role.

### 3. Role of the stakeholders

Irrespective of the governance structures proposed, our greatest concern as representative of the partners and stakeholders in the CGIAR is the evident drive to reduce the right to contribute freely and take decisions to funders only in an organization which has always adopted a different modus operandi; to make decision by consensus.

We submit that there has been no evidence whatsoever presented in the report that the involvement of GFAR and the RF and constituencies they represent has made the FC processes less efficient or effective, but in fact the contrary applies in terms of creating greater legitimacy and public accountability. The intended replacement mode of only ‘speak when you are spoken to’ as an ‘active observer’ and of individual representatives replacing legitimate and accountable bodies in the systems governance is rejected across the cross-spectrum of GFAR stakeholders, whose opinions have been directly solicited and provided.

If the CGIAR goes down a path of sidelining its stakeholders and assuming it exists in an isolated bubble, then it cannot also expect to have the confidence, support and aligned commitments of partners that are essential to achieving development impacts based on its work.
There is a very strong feeling expressed by the wide range of stakeholders consulted that GFAR – and through GFAR its constituencies - is the only legitimate mechanism by which they wish their interests and perspectives to be represented in the funding deliberations and decisions of the CGIAR.

GFAR stakeholders agree that GFAR should retain a full seat in the Fund Council, able to participate fully in debate and decisions of the Fund Council on behalf of partners from all constituencies. This should be backed by observers from the sectors described. The collective view is that by bringing the voices of stakeholders and intended end-users directly into the decision-making processes via a unified global (or Global and regional) focal point, such decisions become markedly more legitimate and enable the views of customers/clients of the system to be heard in these decisions. If it is determined that the Council voting decisions will be restricted to funders only then the minimum acceptable for GFAR is as a non-voting member.

We note also that the measures to “address inadequate participation of key stakeholders” (Page 121), make no mention of GFAR, nor its constituent entities as measures to improve on this participation. Stakeholders all found this a major and unacceptable omission from the report and the options presented:

- “This is an outright error that NEEDS to be corrected. The CGIAR seem to have a different understanding of GFAR’s role and responsibilities.
- GFAR needs to be flagged very specifically as the principal mechanism for achieving participation of stakeholders.
- Why is GFAR absent here? This is not acceptable. GFAR was created by the World Bank and other agencies in part to play this role. As the prime network bringing together SMEs across Africa, PANAAC regards GFAR as the means by which our interests are directly represented into shaping of the CGIAR’s work.
- I believe that GFAR should be explicitly mentioned here.”

There is universal agreement among the extensive GFAR stakeholder networks that agreement among the constituents of GFAR should be the basis by which the proposed national/regional research (and other) and private sector seats should be determined. It was also recognized that civil society organizations should usefully have a specific observer seat. APAARI supported strongly the idea that other key stakeholders might have a greater share in deliberations on strategy and priorities (the role of the active observers) but commented on the need to one be well aware that the private sector’s specific agenda and much shorter time horizon than that of the public sector might also result in counter-productive advice.

Inclusion of independent and unaccountable members is firmly rejected by GFAR stakeholders, who commented that it would be:

- “a perfect set-up for rigging the game and completely losing the trust of non-CGIAR stakeholders”. If independent members are still determined there was strong consensus that the GFAR platform should be the objective basis by which these are identified and selected.
- To quote the private sector view: “One must question the legitimacy by which individuals are appointed on their own. By what means can these individuals be seen to be representing a particular perspective, other than their own views? Why is this considered more legitimate than those appointed by the particular sector itself? In my view individuals would be much less legitimate and would have no accountability for their opinions. Also, who would choose them and how?”

The GCARD is strongly felt to be the legitimate mechanism for public dialogue with the CGIAR.

- “GCARD is contributing and playing very significant role in stakeholder consultation on the CG work, rather this should be fully recognized, appreciated and supported by CGIAR” (APAARI)
- To quote the civil society organizations network: “GCARD is an inclusive platform which not only consults but also gets stakeholders to commit to decisions made and expects participation in implementation. There is always scope for improvement though as in everything. More inputs from various stakeholders at national and regional levels would improve the process.”
Stakeholders were asked: does the basis for selection of ‘donors’ entitled to seats (and the associated “equitable system for voting that takes into account financial contributions to the CGIAR Fund”) take adequate account of ‘southern’ donor countries?

- While many felt this was a matter for the countries themselves to resolve, there were concerns expressed that smaller economies such as for example Kenya would be given less weight in these decisions than the larger G20 nations, yet Kenya is itself both a donor and determinant of the work of the CGIAR.
- Others also felt that the magnitude of funds and partnership contributions must go hand-in-hand under whatever option is agreed to. Therefore, there is a need to maintain an equitable system of voting without taking into account financial contributions only. Partnership contribution should also be accounted in.
Stakeholder feedback in full

For full transparency, the detailed comments below are presented in full as received from a wide range of GFAR stakeholders, all of whom have contributed actively despite the very tight deadline allowed. Some constituencies (notably farmers, LAC) have not yet been able to respond, but their responses are anticipated. Those received to date are from:

Regional Fora of National Agricultural Research-for-Development Systems around the world. Each of these represents, to varying extents, the heads of national public research systems, a range of other stakeholders including universities, farmer organizations, advisory institutions, NGOs, private sector networks etc and in all cases include CGIAR Centers as members:

- The Association of Agricultural Research Institutions in the Near East and North Africa (AARINENA),
- The Asia-Pacific Association of Agricultural Research Institutions (APAARI),
- Central Asia and Caucasus Association Of Agricultural Research Institutions (CACAARI) (current Regional For a representative to the FC,
- European Forum for Agricultural Research for Development (EFARD).
- The Forum for Agricultural Research in Africa (FARA); the Regional Forum for all African countries and apex for the CAADP Pillar IV entities (ASARECA, CORAF, CCARDESA, AFAAS)

Stakeholder networks:

- Civil Society Organizations via the CSO-GARD community of CSO’s operating in the agricultural research and innovation area, with over 200 member organizations
- Advisory Services - Global Forum for Rural Advisory Services, with regional networks around the world
- Higher Education - Global Consortium of Higher Education and Research for Agriculture: 600 universities representing more than one million students per year
- Youth - Young Professionals for Agricultural Development – nearly 10,000 individual youth members

Multilateral institutions:

- FAO and IFAD have reported separately to the Fund Council and for expediency their views are not replicated here.
- CGIAR Consortium is directly represented by the CEO in GFAR’s governance but for obvious reasons has not expressed a perspective here.
For clarity in relation to the options paper, the feedback provided is presented by stakeholder sector in the table below (NB European stakeholder comments will be compiled by EFARD shortly from the diverse EFARD member inputs received here):

<table>
<thead>
<tr>
<th>Stakeholder Sector</th>
<th>Feedback</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Africa</strong></td>
<td>My opinion is that we consider option 4 as a rather efficient route, but the role and presence of GFAR on the Fund Council should be in no way be compromised.</td>
</tr>
<tr>
<td><strong>Asia-Pacific</strong></td>
<td>As the comments presented in Executive Summary Table are derived from the complex differences, one would lose considerable information in the simplification. However, by considering the broader comments, we agree with many of these except one on “Adequate Ownership and Participation of Key Stakeholders”. One can see effective participation by Key Stakeholders at the decision making level under Option 4, but one is not sure how much is the intensity and diversity of such stakeholders and their modus operandi representing under this Option. However Option 4 seems to be the best if it takes care of our above considerations.</td>
</tr>
<tr>
<td><strong>Central Asia &amp; Caucasus</strong></td>
<td>Composition of FC with representatives of contributors, foundations, multilateral agencies, while having global, regional forums, private sectors, NARS and etc., make FC as investment body, rather than a council. A council should be representative and inclusive (paras 73, 74). It looks like currently there are too many bodies, committees in CGIAR Structure, and keeping them operational is too expensive. I agree with view that more integrated system (option 4) would be more effective, efficient and sustainable, but I cannot see (it is not clear) how such governance would assure inclusiveness (planning) and participatory (decision making) across regions and sectors. For CACAARI national system stakeholders, one preferred Option 1, Two Option 3 and seven Option 4</td>
</tr>
<tr>
<td><strong>Europe</strong></td>
<td>It’s good that the report recognizes that whatever changes are adopted, these should be introduced in a way that minimizes transaction costs and disruption to ongoing research activities. In this regard, Option 1 would have merit for the first stage of the transition, but clearly Option 2 provides the Centers and CRPs with a much more central role. That said, the performance of the Fund Office to date does not inspire much confidence and I have considerable concerns about the oversight role foreshadowed for that office – even if it is strengthened. Most of the programmatic governance would come from the ISPC in this scenario, which even with the assurances in the Options team Report, still raises concerns. On the basis of my interpretation of Option 2, one problem is that the Consortium of Centers, center Boards and CRPs will, among various roles, be having to pass collective judgments on individual center/CRP performances (i.e. to judge ‘themselves’), with only the members of the Consortium Board being truly impartial. This is where Option 3 has merit, provided that the Consortium still has a significant profile. The best fit at present seems to be a hybrid that picks out the best elements of Options 1-3. Option 4 is still not in my view a suitable option. Others in EFARD preferred option 4 as being simpler, or Options 1 or 2 or some variation of them for a less disruptive change. Another commented: I think most of the comments made in the report are valid under the frame of the options as suggested. I also think that all options indicate a smaller role for the GFAR and its constituencies, which is a cause of concern.</td>
</tr>
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</table>
The report recognizes the importance of having stakeholder/partner views expressed into the governance of the CGIAR.

A) Do you agree that GFAR should retain a full seat in the Fund Council, able to participate fully in debate and decisions of the Fund Council on behalf of partners from all constituencies?

Or

B) Do you consider it acceptable that GFAR should be represented in future only as an ‘active observer’ i.e. able to comment on issues only when invited and not able to vote on decisions. Please provide some words in support of your belief here.

### Advisory Services

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<td>I support Option 4 as it simplifies the overall governance structure. The current governance structure is unwieldy and, as the authors of the report point out, it fails many of the standard tests of good governance, such as strong leadership, timely decision making and responsiveness to stakeholders. Although there will be challenges associated with moving to the governance structure outlined in Option 4, it should result in a more responsive governance structure where decision are made in a timely manner and communication is enhanced across the CGIAR organization, and with its partners. The more direct engagement of Centers should also help to improve morale and result in Centers providing stronger leadership in programming within the overall mandate of CGIAR. This should also result in more effective use of resources as “local decision making” is likely to be well grounded in terms of effective use of available resources.</td>
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<tr>
<td>Europe</td>
<td>A spread of opinion from different EFARD stakeholders, summarized as:</td>
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</table>

2. **GFAR Representation on the Fund Council (or replacement to the FC)**

The report recognizes the importance of having stakeholder/partner views expressed into the governance of the CGIAR.

A) Do you agree that GFAR should retain a full seat in the Fund Council, able to participate fully in debate and decisions of the Fund Council on behalf of partners from all constituencies?

Or

B) Do you consider it acceptable that GFAR should be represented in future only as an ‘active observer’ i.e. able to comment on issues only when invited and not able to vote on decisions. Please provide some words in support of your belief here.

### Advisory Services

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</tr>
</tbody>
</table>
- Voting is understandably a difficult issue. Given that a primary remit of the Fund Council is funding, it is reasonable, in my view at least, that voting on monetary decisions should be restricted to contributors. That said, it will all depend on how the term ‘active’ for observers is interpreted by the Chair of the FC. I would prefer to use the term ‘non-voting members’ instead of active observers.
- Yes I believe this is important that GFAR is a voting member, so that there can checks and balances in what is proposed, implemented, how it is implemented and how other non CGIAR partners are included in the whole process.
- “Making non CG and non-donors stakeholder observers will improve the effectiveness of the decision making” is valid only when the heterogeneity of the donors are overlooked. Who can guarantee that donors and CG Centers will agree more easily when other stakeholders are out of decision making process? I assume that most of the opinion differences have originated in these stakeholders which have higher stakes in the process than the other ones thought to be active observers.
- GFAR does not “represent” any particular stakeholder group but rather is meant to make sure that all stakeholder groups are involved in the discussions and deliberations about agricultural research and development. If the GFAR would be in the Fund Council "representing" all stakeholder groups, that would include the private sector, so why would there be a need for another seat for the private sector but not for the other stakeholder groups such as farmer organisations or NGOs etc? One could have more stakeholder groups as “active observers”, for a more open and transparent process.

<table>
<thead>
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<th>Region</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Near East &amp; North Africa</td>
<td>Yes, the voice of GFAR and the Regional Fora should be high at the Fund Council. Active observer status is not acceptable. If GFAR and the Regional Fora are not there, who represents the end users of the research?</td>
</tr>
<tr>
<td>Private Sector</td>
<td>Yes I agree GFAR should retail a full seat and see no reason to change this</td>
</tr>
<tr>
<td>Universities</td>
<td>The report states that most decisions are likely to be made on a consensus basis without resorting to a vote. Under such a scenario what is gained (in terms of effectiveness of the Fund Council) by having GFAR as an “observer” rather than as a full member? “Observers” would be encouraged to fully participate in discussions, so, again, what are the purported gains in efficiency? Clearly there are also additional reasons as to why GFAR should continue to have full member status. The report proposes that the size of the Fund Council be limited “so as to promote more effective and efficient decision-making” (para 250). However, there is no evidence presented in the report that the involvement of GFAR or the Regional Fora has made these processes any less efficient or effective. In fact the opposite applies, by bringing the voices of stakeholders and intended end-users directly into the decision-making processes.</td>
</tr>
<tr>
<td>Youth</td>
<td>Yes, agreed that GFAR should retain a full seat. While streamlining is important, it cannot happen at the expense of removing the voices of those representing the different constituencies of the agricultural sector, in which the CGIAR plays a part. Streamlining should not mean removing outside opinions so that the current consensus can pass through unchallenged.</td>
</tr>
</tbody>
</table>
### 3. Determination of key stakeholders

The report proposes that agreement among the constituents of GFAR should be the basis by which the proposed national/regional research (and other) and private sector seats should be determined:

A) Do you agree with this basis of using GFAR’s constituencies and systems for identifying the observers?

B) Should there also be an observer representation proposed for civil society organizations as put forward in some options?

<table>
<thead>
<tr>
<th>Advisory Services</th>
<th>There seems to be overlap between the different proposed seats and the “constituencies” of GFAR. However, paragraph 176 states that GFAR, as a forum of constituent bodies, could be invited to manage the identification of representatives from national agricultural research systems, the private sector, and civil society organizations (including academia). I believe the exercise undertaken recently by GFAR for the constituent assembly would take these constituents a far way towards identifying active members including civil society.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Africa</td>
<td>FARA concurs that there should be a seat for CSO representation</td>
</tr>
<tr>
<td>Asia-Pacific</td>
<td>Yes, we agree that GFAR’s Constituencies and systems be the basis for identifying the observers. Yes, civil society observer representation will be very vital as, along with the private sector, the civil society organizations are playing a critical role in agricultural development.</td>
</tr>
<tr>
<td>Central Asia &amp; Caucasus</td>
<td>We agree with this basis of using GFAR’s non-research constituencies and systems for identifying the observers</td>
</tr>
<tr>
<td>CSOs</td>
<td>Yes, NGOs working with farmers as well as FOs should have additional observer representation. This will also strengthen GFAR purpose of inclusion of smallholder, resource poor farmers and their NGO representatives in decision making, collaboration and implementation.</td>
</tr>
<tr>
<td>Europe</td>
<td>This should be done through GFAR, CG donor members need to remember that they originally requested that GFAR be created and how well it can fulfil this role depends on their continued support for it (and feedback where required)</td>
</tr>
<tr>
<td></td>
<td>It would make sense that the GFAR manage the process of identifying persons from constituent bodies to occupy the seats as observers. The way “civil society organisations” are described in the paper includes “academia”. In my view, people from academia have interests much more in common with the research organisations than with civil society. There should be voices from genuine civil society in the deliberations – both from smallholder farmer organisations and from non-governmental organisations involved in ARD.</td>
</tr>
<tr>
<td>Near East &amp; North Africa</td>
<td>Yes, with the new constituency that includes all the stakeholders GFAR’s constituency represents all relevant sectors. There should also be an observer role for civil society</td>
</tr>
<tr>
<td>Private Sector</td>
<td>Yes - in my opinion GFAR is a respected and open mechanism for engaging objectively with all stakeholders and is trusted by the private sector networks as an objective platform able to engage across different private sector networks. The CGIAR should be making more constructive efforts to engage with the private sector through this established mechanism.</td>
</tr>
<tr>
<td>Universities</td>
<td>Using GFAR as a mechanism to select these individuals seems reasonable</td>
</tr>
<tr>
<td>Youth</td>
<td>Yes, agreed GFAR should be the basis for identifying independent members. Yes there should also be a place for civil society as observers</td>
</tr>
<tr>
<td>Region</td>
<td>Comments</td>
</tr>
<tr>
<td>------------------------</td>
<td>------------------------------------------------------------------------------------------------------------------------------------------</td>
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</tr>
<tr>
<td>Asia-Pacific</td>
<td>GCARD is mentioned under all the options and that may have been taken as engagement with GFAR and its constituent entities. Clarifications may be sought on this and suggestion be made to make GFAR and its entities clear in this respect.</td>
</tr>
<tr>
<td>Central Asia &amp; Caucasus</td>
<td>If the CGIAR system was the only and unique platform for AR4D across regions and sectors, it would need to be further reshaped and move from a donor-driven mechanism towards a more pluralistic platform, where ‘research’ would not be the only area of operation and focus, but including other functions conjunctive to goals set-up, such education, extension, etc. CGIAR is not the core and the only mechanism for integration of agricultural research across region, sectors and commodities, so CGIAR governance should have explicit mechanism of interactions with non-CG arrangements.</td>
</tr>
<tr>
<td>CSOs</td>
<td>GFAR could remain a key stakeholder while working for greater engagement with stakeholder constituencies on important issues of concern to CGIAR. In addition, civil society institutions must have more information and opportunities to voice their opinion as well as participate directly in development efforts.</td>
</tr>
</tbody>
</table>
| Europe                 | • GFAR needs to be flagged very specifically as the principal mechanism for achieving participation of stakeholders.  
• This is not an acceptable omission. The competitive advantage is in numbers.  
• The main "key stakeholders" that the authors of this paper want to see more involved in partnership with and governance of the CGIAR are national agricultural research systems and the private (agricultural research) sector – and especially the latter ("greater engagement with non-traditional CGIAR partners, in particular the private sector", twice mentioned in this way in §280). The word “farmer” is not mentioned once in this paper with reference to the CGIAR, and it is not clear what is meant by "non-governmental" except when referring to contributors: "Non-governmental contributors to have one seat for each group (foundations and multilaterals)". I am afraid that, if the direction and governance of the CGIAR is changed according to the tenor of this paper, there won’t be much hope that CGIAR research benefits smallholder farmers and alleviates poverty – and I wonder how many of the donors giving development funds for ARD would support this?  
• The experience of CGIAR indicates that unless a minor task (all tasks except agronomy research) is explicitly specified, the council and centers do not sufficiently change their behavior. For instance, gender research has huge problems in being mainstreamed in practices of centers. If stakeholder participation does not specify a modality, council and centers will internalize the work active participation of key stakeholders, provide very limited resources most likely one-two people to manage it externally and continue agronomic research business as usual.  
• I think it is a huge waste to dismiss the experience of GFAR as the process. It is probably the only entity defending the position of non CG, non-donor positions. Although it might have problems, it has a history and created a synergy behind the name. |
If the GFAR is not mentioned, I see very low likelihood that it will be allocated sufficient funds to maintain the momentum. I think it is not acceptable to omit it.

Near East & North Africa  
No it is not accepted. I think that this issue is very serious issue that should be addressed by the Consortium and GFAR on the Global level and between the centers and the Regional fora on the regional level to find very efficient and effective mechanisms such as joint activists, joint work plans etc.

Private Sector  
Why is GFAR absent here? This is not acceptable. GFAR was created by the World Bank and other agencies in part to play this role. As the prime network bringing together SMEs across Africa, PANAAC regards GFAR as the means by which our interests are directly represented into shaping of the CGIAR's work.

Universities  
I believe that GFAR should be explicitly mentioned here.

Youth  
The CGIAR and GFAR conducted a stakeholder consultation for the SRF and thus the stakeholders listed in this document should be consistent with the stakeholders that they have identified in other consultations.

5. Adding independent individual members

Options put forward include the identification if independent individual members in the Council, replacing those of GFAR and the Regional Fora (e.g. para 173).

A) Do you agree with this approach?
B) If this was selected as the preferred option should these independent members be identified through GFAR?

Africa  
Independent membership will not serve our purpose on the Fund Council. FARA would press for GFAR representation as a Forum.

Asia Pacific  
No, we do not agree as GFAR and Regional Fora are formally established, recognized and functioning organizations and must be integral part of the CG Governance Structure and Decision Making. One wonders why there is need to replace these and have independent individuals and what is their stake and to whom they represent and are accountable to??

Central Asia & Caucasus  
GFAR and Regional fora members and representatives should have seats in the Council, they should not be replaced. Because GFAR and Regional fora deliver the voice of not individuals but stakeholders groups.

CSOs  
No, we do not agree with this approach. GFAR and Regional Fora should be represented. In case this makes the Council too large and unwieldy then the next option would be for GFAR to consult its constituencies adequately on matters brought before the council and represent the Fora as well.

Europe  
NO, but if it is selected then select independent members through GFAR.

I do not agree that independent members "with scientific/technical expertise of benefit to the Council" should be included as voting members. First of all, there is already too much Science in the governance and not enough Development and Society in the decision-making positions. Who will decide which individuals are "of benefit to the Council". Sounds like a perfect set-up for rigging the game and completely losing the trust of non-CGIAR stakeholders. If it is indeed decided to have "independent members", they should be identified through the GFAR and not through the Council or Consortium Office or Fund Office or any other CGIAR office.
I think those members in the council are dominated by research stakeholders. Replacing them with GFAR representatives who are more representative of other stakeholders will decrease the contribution of other stakeholders. So I see no benefit inviting the members in the council. It is a worse option than both extremes in terms of efficiency and representativeness.

<table>
<thead>
<tr>
<th>Near East &amp; North Africa</th>
<th>No, GFAR and regional Fora should have voting seats. We hope this option is not adopted. If it is, then the independent members should be identified from the GFAR Partner Assembly members if possible.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Private Sector</td>
<td>One must question the legitimacy on individuals appointed on their own. By what means can these individuals be seen to be representing a particular perspective, other than their own views? Why is this considered more legitimate than those appointed by the particular sector itself? In my view individuals would be much less legitimate and would have no accountability for their opinions. Also, who would choose them and how?</td>
</tr>
<tr>
<td>Universities</td>
<td>This is probably a good idea as their independent status would allow them to speak freely without the burden of conflict, perceived or real. GFAR should have input into the selection of those independent members but I am not convinced that GFAR should be the only organization having input into the selection process.</td>
</tr>
<tr>
<td>Youth</td>
<td>This depends, does the CGIAR see GFAR as having a partisan view? Why is this? I believe that GFAR is actually more objective as many ‘independent’ members would be as most individuals have biases of their own.</td>
</tr>
</tbody>
</table>

**6. Role of the GCARD**

The GCARD process is recognized in the document and in most cases is recognized as an important mechanism. However, there are some cases where caveats have been introduced, e.g. para 274 states ‘the GCARD or a meeting like it’, while other places discuss a possible annual meeting of the donors and Centers:

A) Do you feel that the GCARD process as currently designed fulfils the need for public consultation on the work of the CGIAR?

B) Are there ways you feel this could be improved upon?

<table>
<thead>
<tr>
<th>Advisory Services</th>
<th>I believe the GCARD is a constantly evolving process and will be continually improved on. In this vein the phrase “a meeting like it” is OK.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Africa</td>
<td>The GCARD in our opinion allows for synergistic mechanism that serves GFAR and CGIAR’s mutual benefit. As such it ought to be continued in this spirit.</td>
</tr>
<tr>
<td>Asia-Pacific</td>
<td>Yes, indeed GCARD is contributing and playing very significant role in stakeholder consultation on the CG work, rather this should be fully recognized, appreciated and supported by CG. Having recognized the very significant contribution GCARD is making and further recognizing that GFAR spends a large magnitude of its time and efforts on this, thus leaving only minor magnitude of its efforts to strengthen ARI4D at the global, regional and national levels, it is important that significantly higher level of resources (expertise and funds) be allocated to GFAR for GCARD purposes, so that not only GFAR’s contribution through GCARD process becomes much more</td>
</tr>
<tr>
<td>Region</td>
<td>Issue</td>
</tr>
<tr>
<td>-------------------------</td>
<td>----------------------------------------------------------------------</td>
</tr>
</tbody>
</table>
| Central Asia & Caucasus | GCARD should create and ensure practical mechanism of engagement of diversity stakeholders in CRPs and setting up priorities research area for CGIAR, including the identification of opportunities for partnerships and demand-driven research for development. (para 11). So far, we do not know yet any other arrangement, but GCARD process as currently designed fulfils the need for public consultation on the work of the CGIAR. However, the influence and role of GCARD seems not much strong in developing strategies.  
We support to hold CGARD every three-year, because two-year is not enough. |
| CSOs                    | Yes. GCARD is an inclusive platform which not only consults but also gets stakeholders to commit to decisions made and expects participation in implementation. There is always scope for improvement though as in everything.  
More inputs from various stakeholders at national and regional levels would improve the process. |
| Europe                  | GCARD should be retained as the main consultation mechanism, but there is always room for improvement/change in any event of this kind. This should be driven by feedback from all participating stakeholders.  
I have not attended any GCARD meeting however, I have received reports from individuals that felt the current set up did not deliver what it promised. Who participates, who decides all rather unclear. Is there true ownership and how can this be improved.  
In essence how can we improve the continuity?  
The GCARD process certainly needs to be continued to allow and facilitate public consultation on the work of the CGIAR, but also needs to be improved – and I am hoping that the upcoming GFAR constituent assembly would suggest some ways to do this.  
I think GCARD process is doing a good job. However I see an important gap showing its contributions as a process. GCARD outputs are not representative of the achievements of the process. The strongest contribution of the GCARD is the process where it mobilizes different stakeholders and creates a dynamism among its constituencies and create incentives to think around important issues. However as far as I know, it is not captured sufficiently yet. I think there needs to be a process monitoring system (not an outcome based one). |
| Near East & North Africa| Yes, it is a very important platform for discussion and consultation and we should improve it each time to be more inclusive to the different stakeholders. It could include more National and Regional dialogues and include more stakeholders |
| Private Sector           | I see no reason to move away from the GCARD principle, that has created an effective meeting place for the CGIAR and its partners. |
| Universities             | The GCARD process has to continue to justify that it is providing the desired public consultation. GCARD currently has this mandate and that is likely to continue until it fails to deliver on its mandate. So, I don’t have a problem with the wording here. |
| Youth                   | This is the unresolved tension of it being ‘the’ event for public consultation on the work of the CGIAR, without being exclusively focused on the work of the CGIAR. I think that stronger regional/national consultations could help. |
7. In the proposed reduced Council, does the basis for selection of 'donors' entitled to seats (and the associated “equitable system for voting that takes into account financial contributions to the CGIAR Fund”) take adequate account of 'southern' donor countries?

<table>
<thead>
<tr>
<th>Group</th>
<th>Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advisory Services</td>
<td>I do not see “southern” donor countries there but assume they are taken up in (e.g. 134: 8 seats for other CGIAR contributor countries (contributors or host countries))</td>
</tr>
<tr>
<td>Africa</td>
<td>I am not convinced that it is necessary to use a geopolitical criteria to define or segregate donors</td>
</tr>
<tr>
<td>Asia-Pacific</td>
<td>No, it does not take adequate account of the Southern Donor Countries. Magnitude of funds and partnership contributions must go hand-in-hand under whatever option is agreed to. Therefore, there is need to maintain equitable system of voting without taking into account financial contributions only. Partnership contribution should also be accounted into.</td>
</tr>
<tr>
<td>Central Asia &amp; Caucasus</td>
<td>I have concern that geographical location domination of donors would create unbalanced re-allocation of funds across regions. It is not clear how FC and Consortium are going to handle balanced distribution of funds.</td>
</tr>
<tr>
<td>CSOs</td>
<td>Southern donor countries should have priority to seats.</td>
</tr>
<tr>
<td>Europe</td>
<td>This seems to be OK generally, but may need adjustments when implemented This will always be debatable depending on who is asking the question and why? If it is only those with a vested interested in the Southern representation and none from the key “power” decision-makers it really does not matter does it? To make sense, perhaps having a seat for a southern representative is needed so that they can be part of the “talks and assist in informing of the added advantage that they can bring to the table”. That is for the “southern” donor countries to decide. I think this is a good argument as long as Southern donors provide financial support to the CG system. As far as I know they (The largest two Southern donors; China, Turkey) use their own systems. I would be careful about using this argument. However, GCARD might express interest playing a role in increasing their contribution to CG system.</td>
</tr>
<tr>
<td>Near East &amp; North Africa</td>
<td>I think the south countries donor countries should be encouraged by giving them priority seats</td>
</tr>
<tr>
<td>Private Sector</td>
<td>I have some concerns that smaller economies such as Kenya would be given less weight in these decisions than the larger G20 nations, yet Kenya is itself both a donor and determinant of the work of the CGIAR.</td>
</tr>
<tr>
<td>Youth</td>
<td>I am not familiar enough with this process/system to comment</td>
</tr>
</tbody>
</table>
8. John McIntire, 15.4.15

The first two conclusions advanced about the success of the reform are not scientifically justified and should be withdrawn;

The conclusion about the rising transition costs to the higher number Options is not justified and seems to appear only as a straw person against Option 4; if the conclusion is true in some financial sense then the ERR of net savings (savings on post-transition costs – initial transition costs) should be easy to calculate;

**IFAD strongly supports Option 4.** Options 1, 2, and 3, to varying degrees, will not resolve, and may even worsen, the final five "remaining challenges" (lack of trust; weak leadership; unbalanced participation ineffective decision making and lack of predictability in funding).

Within Option 4:

The allocation of the proposed 16 council seats for bilaterals should be subject to some minimum W1 contribution – at least $10 million annually; failure to make the contribution would result in losing the seat. If 16 countries cannot make the minimum then they could be replaced with multilaterals or foundations who would agree to make the minimum (if 16 cannot be found to make the minimum, then have a smaller council); without a high minimum the new FC will still have the tyranny of the small donor;

Multilaterals should be added to the list of observers;  
50% time dedicated chair to be chosen by the members for one five year term; candidates must have some professional qualifications in agriculture or the environment, with some published research background;

Double voting structure -- 51% majority of voting members and 51% majority of contributions;

Centers committee chair to be chosen by the Centers;

The proposed "alternative structure" ("Lead centers would be accountable directly ..."; and "Oversight of funding and programming") is internally inconsistent. If the CGIAR Office provides oversight of funding and programming, then surely lead Centers should be accountable directly to the CGIAR Office.

Agree to strengthen ISPC and agree with the "stronger role" advocated for ISPC;

Must be strict requirements for greater transparency of IEA work;

Resource mobilization procedures should include a portal on which all W3 calls for proposals are posted in a common call format with a common proposal format; the recommendation to make CG funding similar to other multilateral partnerships confronts the fact that the other partnerships (e.g., vaccines) are often very different and hence does not mean much;
Simplify financial management; spend enough money to make OCS (is it working) into a mandatory* FM tool across the Centers (with CRPs properly defined as projects within Centers and not seen as independent institutions) and system entities; alternatively, replace with SAP; agree with the recommendations on the slide titled "simplifying financial management"

*Centers that do not want to use the tool would not be eligible for W1/W2 money.

John Murray McIntire  
Associate Vice-President  
Program Management Department (PMD)  
Via Paolo di Dono 44 | 00142 Rome, Italy  
www.ifad.org
Subject: ICRAF final response to final Govn Options Team Report

Dear Patricia and Options Team members,

Thanks again for an even more detailed 165 page report on CGIAR Governance Options. The background, evidence and insights are a superb record of where we have come from. A big thanks and congratulations for this Opus Magnum. Please read the following comments to help refine what is an already compelling analysis, and not as criticisms per se.

Based on the latest changes as well as the extra logic and evidence put forward in the report, ICRAF would now like to formally most closely associate its preference with a modified version of Option 4 (one Governing Board), although we can also live with Options 1 and 2. We see Option 3 as largely unworkable. Options 1 and 2 might best be described by that 19th Century USA carnival consoling phrase, “close, but no cgiar”

In all humility, given the mixed historical account you present we should be immensely grateful that donors persist with us and tolerate all these wobbles and continue to want to support us for the greater impact we all seek. In this regard, we feel that tinkering around the margins is insufficient. In 2008, we started a CGIAR reform design process that has ended up seven years on with a system that is fit for 2008. Option 4 will not be off-the-shelf, immediate nor optimally efficient straight away Governance environment but it gives us the best chance to be a high performing system in the future. We hope the donors at FC13 will be bold and decisive to prevent further prevarication, uncertainty and erosion of our mutual effectiveness.

Some more specific comments include:

1. The comparator groups in the paper are an informative comparison, but not a completely valid one as the biggest distinction between them and the CGIAR is that the six funds mentioned govern the funds and their use, but not the institutions that use them. The CGIAR seems to want to both govern the funds as well as “proxy govern” the institutions (or at least govern the way they do business). Furthermore, the current FC on occasion likes to get engaged in detailed management issues. Some requests from FC come across as too prescriptive rather than descriptive of intent.

2. In many places in the document we talk about responsibilities for resource mobilization but not accountabilities. RM is most effective when those directing it have some “skin in the game”. If we are to push it under one unit and have it centrally coordinated, the coordinators have to be accountable with specific target measures, rather than relying on post hoc claims of success, or after-the-fact explanations as to why funds are not available.

3. There is repeated mention of prioritizing research and strengthening the ISPC. Prioritising research is not an exact science – if we could foretell knowledge discovery gains in advance we would not need to do the research in the first place. Prioritisation should not be about individual topics but rather the big development challenges, their geographies and approaches to accelerate impact. Institutions and Programmes then manage a
portfolio of short-term/long-term, high risk/low risk, big pay-off/low pay-off, speculative versus confirmatory research. These points need to come across more in the paper.

4. On strengthening the ISPC, it will best evolve from a Science Council to a Science Counsel. The CGIAR needs scientific guidance, advice, stewarding - and not policing. It seems odd that the ISPC is itself leading the review on how to strengthen itself (para 72).

5. The four Governance Objectives listed in para 19 of the Executive Summary make sense but are maybe too bespoke to the CGIAR. Sooner or later the CGIAR will be included in MOPAN and we will be measured alongside others on the 5 key Governance metrics of the Multilateral Organisation Performance Assessment Network (see attached pdf). Maybe we should use these also as the guide of direction and pick up on the 2007 OECD definition of good governance as currently we talk about it without fully defining it.

6. There is much spoken about management frameworks (e.g. paras 23f, 28), but largely from the negative perspective i.e. risk, control, rules, restrictions. We need to develop a CGIAR culture of a more balanced assessment of risk and reward; control and enablement; rules and values, restrictions and freedoms.

7. There is repeated use of the concept of “voting rights” and this might be useful to look at say average past 3 year contributions but also weight forward/advance multi-year contributions with high leverage factor (e.g. 3-5).

8. In relation to funding transparency (para 74) perhaps the CGIAR can experiment with getting donors and centers to sign up to IATI (http://www.aidtransparency.net/)

9. In the transition table in Exec Summary of page Xviii, the Option 1 will also require changes to legal documents

10. My understanding of the Consortium Agreement signed in 2010 by Centres had a 10 year sunset clause for the CB/CO (i.e. 2020) and whatever follows from the new SRF, Governance changes, etc – we will also need to watch this potential minefield.

Thanks again for all your hard work and delivery of a thought provoking document.

Best

Tony

Tony Simons PhD
Director General
and Honorary Professor of Tropical Forestry, Faculty of Science, University of Copenhagen

See our Gender methods, indicators and deliverables (http://worldagroforestry.org/crp6/gender)  
Reveal the wonder of landscapes (http://landscapeportal.org)  
Discover ICRAF’s entire set of 6200 publications (http://outputs.worldagroforestry.org/)  
Download our 275 Open Access Datasets (http://thedata.harvard.edu/dvn/dv/icraf)
Central Asia and the Caucasus Association of Agricultural Research Institutions (CACAARI)

Feedbacks received on
Options for CGIAR Governing Structures and Decision-making

Summary:

Fourteen feedbacks were received, and ten of them presenting views on GCIAR governance options. All feedbacks without exception support in general the rationale from moving the present structure.

Feedback mostly related to see new CGIAR Governing Structures and Decision-making insuring and providing inclusiveness and participatory approach in defining challenges, prioritizing research area, planning and implementation, M&E - equitably across regions and sectors. They note a critical role of GFAR and Regional fora, particularly CACAARI in the Central Asia and the Caucasus in GCIAR system.

Specific comments are mentioned below.

Analysis of current challenges

GFAR and Regional Fora should be proactive in aligning the work of the CGIAR with global and regional needs and activities. (paras 5, 16).

GCARD should create and ensure practical mechanism of engagement of diversity stakeholders in CRPs and setting up priorities research area for CGIAR, including the identification of opportunities for partnerships and demand-driven research for development. (para 11).

CGIAR should have Long-term strategy as well as a shorter-term business plan; Active involvement of national research system in deliberations on strategy and priorities; Reinforcing the responsibility of the donors to deliver predictable and sufficient funding to achieve the goals of the system.

GFAR and Regional fora members and representatives should have seats in the Council, they should not be replaced. Because GFAR and Regional fora deliver the voice of not individuals but stakeholders groups.

Fund Council Structure

Composition of FC with representatives of contributors, foundations, multilateral agencies, while having global, regional forums, private sectors, NARS and etc., make FC as investment body, rather than a council. A council should be representative and inclusive (paras 73, 74).

SRF reflects three SLOs: (i) Reduce poverty; (ii) Improve food and nutrition security for health; (iii) Improve natural resource systems and ecosystem services. Moreover, those outcomes are supposed to be achieved in rural places over the world, i.e. in the regions. CRPs are implemented in the regions, countries with their own governments. In addition, the final beneficiaries of SRF are regions and nations, where CGIAR activities are implemented. Therefore, representatives of regions, NARS should be represented in FC officially through regional fora and GFAR.

General thematic comments

It looks like currently there are too many bodies, committees in CGIAR Structure, and keeping them operational is too expensive.

For Option 4, we agree with this basis of using GFAR’s non-research constituencies and systems for identifying the observers, but research constituency of GFAR, including regional fora should have a voting right (GFAR and Regional Fora).
So far, we do not know yet any other arrangement, but GCARD process as currently designed fulfils the need for public consultation on the work of the CGIAR. However, the influence and role of GCARD seems not much strong in developing strategies.

I have concern that geographical location domination of donors would create unbalanced re-allocation of funds across regions. It is not clear how FC and Consortium are going to handle balanced distribution of funds.

I agree with view that more integrated system (option 4) would be more effective, efficient and sustainable, but I cannot see (it is not clear) how such governance would assure inclusiveness (planning) and participatory (decision making) across regions and sectors.

The theory of change and Impact pathway that SRF referring to, is too theoretical and linkages between SIDOs, IDOs and SLOs are highly hypothetical. Especially, my concern is that is not obvious how integrated research linked / is contributing to SLOs. CGIAR Research Programs seems to be implemented autonomously from each other. It is not clear are CGIAR alone is going to achieve SLOs or together with Farmers associations, development programs, local governments, NGOs, National Development programs, Health, Industry and Services sector. I could not see the mechanism of addressing these issues in any governance options.

We support to hold CGARD every three-year, because two-year is not enough.

If the CGIAR system in the only and unique platform for AR4D across regions and sectors, it should to be further reshaped and move from donor-driven mechanism towards more pluralistic platform, where 'research' should not be the only area of operation and focus, but including other functions conjunctive to goals set-up, such education, extension, etc. If CGIAR is not the core and the only mechanism for integration of agricultural research across region, sectors and commodities, then CGIAR governance should have explicit mechanism of interactions with non-CG arrangements.

**General Technical comments**

The paper is too big to understand

There are too many components of CGIAR systems, I am lost and therefore was not able to provide detailed feedback, but in general, I agree with proposed transformations. It seems, CGIAR is in a right way towards development and be useful for society.

I missed overall diagram of CGIAR system governance. Providing a diagram of CGIAR system institutions, organizations, bodies etc. would be useful.

The style of the text is too sophisticated or targeted to only those who works in CGIAR. Therefore, I could not provide my comments. In general, I support the strategy. I believe CACAARI as our regional platform will provide our voice to GFAR and CGIAR.

Above mentioned statement should not exclude direct communication between NARS and GFAR&CGIAR.

**Not directly related comments**

We need more programs and technical & financial support to our region. Why our research issues and challenges are not delivered to CGIAR? Why CACAARI is not active in this way?

**Voting for Four options**

In fact, 14 feedbacks were received, and 10 feedbacks presented views on GCIAR governance options.

<table>
<thead>
<tr>
<th>Options</th>
<th>CAC countries</th>
<th>Overall</th>
</tr>
</thead>
<tbody>
<tr>
<td>AR</td>
<td>AZ</td>
<td>GE</td>
</tr>
</tbody>
</table>

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| Option 1: Modifications of the existing system structure and decision-making processes and accountabilities | 1 | 1 |
| Option 2: Change in the nature of the Consortium to focus on its role as a cooperative of the centers for coordination and shared services and oversight role to be placed in a strengthened Fund Office | 1 | 1 |
| Option 3: Two governing bodies (Fund Council and Consortium Board) with one administrative/management office for the CGIAR | 1 | 1 | 2 |
| Option 4: Single board with one administrative/management office | 1 | 1 | 1 | 1 | 2 | 7 |
Dear options team

Having reviewed the different options outlined in this excellent paper, ICARDA Board Chair and management consider that only option 4 can save the system from further complexity and bureaucracy and bring back a sense of unity and understanding. Option 4 also seems more cost effective than the others.

With thanks.

Yours

Camilla

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The underlying analysis:

- It is not clear whether the increase in funding is due to the CRPs or to the increased interest in agriculture/food security following the food price increases in 2008. The recent two year decline in core (w1/2) funding to the system raises the question of whether there is going to be continued sustained funding in light of declining interest in food security on the part of donors.

- The centers have made significant progress in achieving more unity over the past 18 months—of course not on every issue—but the centers recognize that we have more credibility and more influence if we can speak with one voice. This process (which also requires trust and strong leadership) will take time to mature but it is well on its way.

The importance of the SRF: the options paper talks about the fundamental importance of the SRF. This point deserves reiteration. Without an approved SRF, no matter which governance option is chosen, the system will be challenged to move forward. Bioversity hopes that the Fund Council will have sufficient time to devote to the SRF and will approve or endorse (with some changes) the SRF so the system can move forward.

It would be useful to know from the Options Team if anything in the SRF, as submitted to the Fund Council, would have implications for the four options being considered. The major outlines of the SRF (in particular the Results Framework which was actually designed by the donors) have been clear for several months. Would the options presented be different if they had taken the draft SRF into account?

Resource mobilization: In our view, the donors have little incentive to mobilize resources, and at present the FO does it have the capacity to play this role. The best fundraisers are those that are close to the subject matter, and have the networks and knowledge to build upon. In the current structure, this would be the Consortium Office, Board and Centers who could take all take a more visible role in advocating for financial support to the System. Unless significantly reconfigured and re-staffed, we doubt that the FO could perform this function. At a minimum, the Fund Office should be tasked with anticipating funding flows, and raising flags when they hear of donor concerns so that other parts of the system can address those concerns.

Science Management: as on resource mobilization, putting this function in the FO would mean a significant change in the role, culture and staffing required in that office. The culture change that would be required in the FO to take on new roles in many of the options has been underestimated, in our view. If with a strengthened independent science body, there also needs to be an internal science capacity to support the development of strong and high quality CRPs.
Chair of the Fund Council or CGIAR Council: This is a fundamental issue, and it is not sufficiently addressed in any of the options. Is the chair to be independent? Or a continuation of the current system—where the chair is with the World Bank? What is the profile of the chair (how much time should they devote, how “high” a profile should they have to help position the system, etc.) We believe the role of the Chair of the Fund Council (and the Consortium Board or the chair of a newly envisioned CGIAR Council) needs to be independent and able to devote sufficient time to the role.

Principles: Bioversity feels we should continue to emphasize the separation of funders from doers in terms of accountabilities and responsibilities. But at the same time ensure a more equal relationship and better engagement of the do-ers and the funders so that better decisions can be taken, with input from those with a stake in the system. In this, the centers clearly need a stronger voice in the system but the more important point is that centers must have more ownership of the system, regardless of which option is selected.

Culture Change: Regardless of which option is chosen, serious culture change will be needed in all parts of the system—the FC, the FO, the CB, the CO and the Centers. Focusing on the legal and constitutional issues is not sufficient to fix the problems—pieces of paper and org charts will be ignored if the culture is not changed. This is particularly the case in option one, which may feel like the status quo to some observers, but in order to yield benefits, would require significant behavior change from all parties.

Preferred Option: Bioversity would prefer Option 1, but could live with Option 4. Options 2 and 3 seem like a lot of disruption for relatively few gains over Option 1 (and in some cases, would Options 2 and 3 would represent a reversal of the improvements in Option 1). But in Option 1, we would like to see a greater representation of centers on the Consortium Board to increase voice and ownership. If Option 4 is chosen, some of the proposals can be enacted rather quickly and should be done as quickly as possible in order to minimize the disruptions to the research, and to demonstrate early progress.
FAO RESPONSE ON THE FINAL VERSION OF THE CGIAR OPTIONS PAPER ON GOVERNANCE STRUCTURES AND DECISION MAKING - APRIL 8 2015

Introduction

1. FAO commends the options team for the high quality of the Options Paper, which eloquently diagnoses the governance and decision-making problems that confront CGIAR at this point, as well as the important achievements of the last reform to date. FAO appreciates the efforts of the options team to take on board inputs on the successive drafts and to objectively present both the advantages and disadvantages of the four distinct options they have put forward, as well as in broad terms the relative costs of each option based on its considered analysis. FAO also appreciates the transparent and consultative approach to discussions on the progressive drafts of the report, and inputs from various sources has helped inform our own views of the options and other proposals contained in the Paper.

2. FAO welcomes the clear presentation of the four options in the Paper and the advice (paragraph 22 of the Executive Summary) that each option contains a number of different elements, no option is a “take it or leave it” proposal, and the Fund Council (FC) may choose to support some of the main elements in the option while choosing to amend or reject other aspects of the option. It does note that the team has included in each option a combination of characteristics that they believe will improve effectiveness and efficiency. FAO accepts that proposals for adjustments to an option will need to consider the impact of this in terms of these objectives. We will return to this point below in our comments on the options and possible variations that we feel could be incorporated in a preferred option.

3. FAO notes that beyond presenting a range of options for the overall structure of the system going forward, the final Options Paper contains many other proposals from the options team on cross-cutting issues related to governance and decision-making which the FC needs to consider and come to a view on. We hope that many of these will be relatively easy to achieve consensus on, but to ensure that they are systematically dealt with and receive the needed attention in the FC meeting we have tried to be comprehensive in our written response below.

Underlying Principles

4. FAO welcomes and supports the succinct set of principles for good governance in the CGIAR as set out in paragraph 19 of the executive summary and in paragraphs 52-58 as a basis for guiding the deliberations on the options for the CGIAR going forward.

Options for Overall System Structure

5. FAO notes that the options presented all assume a continuation of the Centers as independent entities, and in our view this rightly acknowledges the central role of the Centers in the management of research activities and the maintenance of the CGIAR’s research infrastructure, the important linkages of Centers to a wide range of stakeholders (e.g. regional and scientific) that are an essential dimension of the CGIAR’s partnerships, and the continuing strong importance of Center brands for resource mobilization for CGIAR research.

6. With regard to governance goal (a) in paragraph 52, FAO believes that, CGIAR being a shared enterprise, leadership from across all stakeholders should contribute to the implementation of a coherent system that prioritizes scientific research with development impacts, especially for the poor. The development of a robust SRF is critical to this. In this regard, FAO supports the continued role in Options 1-3 of a Fund Council to govern this, as
currently conceived – i.e. independent of the “doers” – and guided by the advice of a strengthened independent scientific advisory body.

7. FAO does not favour Option 4 at this time. FAO prefers to give the current basic structure, with changes as envisaged under other options, more time to perform and adapt to issues which naturally arise from a radical change of the kind that occurred with the last reform. The costs of the changes proposed under Option 4 (including to CRP performance) should not be underestimated, especially so soon after the current structure has been established and before other non-structural improvements have been given time to influence behaviors and practices (including a new SRF with strengthened reporting and evaluation of results). Also the presence of Center representatives as voting members in a single Board may produce other conflicts (in the comparator organizations there are no equivalents to the Centers).

8. With regard to the remaining three options, subject to comments on the FC composition, FAO will support the option achieving the greatest consensus, noting that moving from Option 1 through to Option 3 increases the responsibilities of the FC within the System, and eliminates the role of the Consortium Board as an intermediary between the FC and the Centers. However, for reasons elaborated below, FAO suggests that an intermediary approach to Option 3 be considered whereby the Consortium Board would be retained as reformed under Option 1 and in line with the Consortium Board and Centers’ recent agreement, continue its detailed oversight in the first instance, with the Fund Council reviewing this, based on information from the joint office as well as getting independent advice from the ISPC and IEA as required. This would allow for the fiduciary requirements for the Fund Office under Option 3 to be lighter, while ensuring that no oversight weakness opens up on the Consortium side.

9. FAO notes that Option 1 has helpful proposals in terms of improved communications, transparency, voice and efficiency. However, it is uncertain as to whether these changes will be enough to reconcile the facilitation and fiduciary roles of the Consortium Board which have been diagnosed as the source of much friction between the Consortium entities and the Centers. That said, in any model involving the retention of independent Centers being called to act collectively in a single system, there is no magic solution to eliminate all tensions and perhaps a certain tension indicates healthy debate supporting optimal solutions to issues. Accountabilities must be applied to shape behaviors that negatively impact the timeliness, quality, relevance and impact of the Centers’ collective actions. For this reason, FAO would support Option 1 in the absence of consensus about further changes at this time.

10. Options 2 and 3 would, in our view, partly address the above issue by shifting the fiduciary roles for programmatic and financial oversight to the Fund, with the Consortium in Option 2 becoming closer to the old Alliance (but with a firmer legal framework) and the Fund Office becoming closer to the old Alliance Office during the transition period of the 2008-09 reform. The CGIAR could draw on the lessons from those experiments to maximize the power of these models while managing potential risks. However Option 2, and Option 3 if the Fund Office remains under the legal shelter of the World Bank, raises the question of capacity of the Fund Office and the acceptance of the World Bank of the related responsibilities which go beyond those applying to its current role under its financial intermediary trusteeship policies. The issues around this are set out in section VI of the Options Paper. We understand, and appreciate, that at this stage, the exact location and details of the organizational structure of the single support office under Option 3 remain open and
that there is still room for negotiation. The adjusted version of Option 3 that we put forward in paragraph 8 above aims to mitigate the difficulties in this respect.

11. FAO notes that Option 3 has efficiency advantages if the common office is based in Montpellier i.e. the functions of the Fund Office are assumed by the Consortium (para 166), and may address problems of conforming the responsibilities of the common office in serving the Fund Council with what the World Bank is able to accept in terms of changes in its legal responsibilities. The alternative of dissolving the Consortium Office and a Board to be replaced by a Center cooperative appears to be significantly disruptive and expensive.

12. FAO notes the concerns about Option 3 of the potential difficulties of one office “serving two masters”. It agrees with the options team (para 49) that these are not insurmountable and can be managed through clear delineation of responsibilities and reporting duties. If Option 3 achieves a consensus of Fund Council members, provision could be made for a distinct branch of the new supporting office dedicated to its responsibilities to the Fund Council. In such a scenario, the reporting line of the Office Director will need to be aligned with the legal responsibilities/status, i.e. to the Consortium Board rather than the FC.

Fund Council decision making and composition

Membership change

13. Under Options 1-3 (as set out in paras 72-78) the team is proposing a reduction in the number of voting members of the FC, while having others invited as “active observers” so as to “promote more effective and efficient decision-making” (para 250). The same would apply under Option 4 with the CGIAR Council, with the proviso that a multilateral organization would only be eligible for a voting seat if it contributed to windows 1 or 2 (para 175 and footnote 24). FAO is not convinced that the size of the FC per se has made its processes less efficient or effective than they should be, and is concerned that the proposal will have significantly adverse consequences for the multi-stakeholder model and the effectiveness of achieving the system’s mission.

14. FAO notes that multi-stakeholder governance is not just a matter of seats on boards, and inclusiveness is not an end but a means to an end. Membership, and the participation that comes with this, should be purposeful and support the enterprise’s governance principles (see para 4 above). From our perspective, practice in terms of FC membership that has evolved since its establishment has reflected efforts in this regard. Rather than reduction of the FC (voting) membership, FAO believes more effort could be made to enhance the use of FC committees, and perhaps more attention to the questions of what should come to the FC for approval or endorsement, and the quality standards required and to be imposed for information presented, to address FC decision-making efficiency as well as promote purposeful engagement across the range of stakeholders represented in the membership.

15. Under the options there would be one seat for multilateral organizations (World Bank, FAO, IFAD). While appreciating the elaboration by the options team of the role of “active observers”, given the different roles these three organizations play in support of the CGIAR System (see paras 238-249), FAO would regret a change resulting in any of these organizations occupying a less than full membership status. On the matter of financial contribution, FAO does contribute financially through its hosting of the IEA and ISPC ($1.35m annually for ISPC, in-kind office space for the IEA and ISPC) and it would not be efficient to insist on this passing through window 1 or 2 just for the purpose of recognizing FAO’s contribution for voting purposes.
16. We have previously noted that FAO’s presence on the FC is beyond symbolic linkage to the UN system per se and (with IFAD) establishes a vital linkage and consistency between FC decisions on research priorities and funding with the international policy and normative framework for food and agriculture and the priority setting on food and agriculture which takes place in FAO and IFAD fora. The governance of research funding through the Fund Council cannot operate effectively without this linkage.

17. All of the options also propose that the current GFAR and Regional Fora seats be reduced to ‘active observer’ status. FAO continues to support bringing the voices of stakeholders and intended end-users directly into the decision-making processes of the CGIAR, and considers that GFAR’s continued full membership of the FC can be an effective way for this to be maintained.

18. FAO supports a composition that promotes the participation of representatives of the South, and continues to favor a 50:50 split of country representatives between North and South.

Window 3 representation

19. FAO supports the inclusion of Window 3 contributions made within the SRF in the calculation of Fund Donor eligibility for FC membership.

Fund Council chair

20. With regard to the Fund Council Chair (paras 79-80) FAO would like to see a continued leadership by the World Bank.

Voting

21. FAO supports the proposal of the team (para 92) for supplementing consensus-based decision making with a double-weighted voting mechanism.

Senior representation

22. FAO supports the view expressed by the team (para 93) that representatives on the Fund Council should be of a high level with authority to take decisions during the meetings.

CRP Oversight

23. FAO notes that under Options 2, 3 or 4, the lead center would be directly accountable to the Fund Council (or CGIAR Council in Option 4) for ensuring the funds received are used for the intended purposes, implemented in accordance with the approved CRP proposal and complying with other legal obligations. Under each of these options the Fund Office or new single office would be responsible for providing adequate supervision to assess compliance by the lead centers with their obligations. With regard to the alternative approaches to the revised legal agreements governing direct access and responsibility of the lead center to Window 1 and 2 funds, as proposed in paragraphs 223-227, FAO would support whichever approach is most feasible from the point of view of the Trustee (World Bank) provided there is clarity as to the enforcement of the lead center’s obligations in the event of non-compliance.
ISPC and IEA

24. FAO concurs with the team (paras 258-259) that under any option an enhanced role for the ISPC would be essential for a strengthened CGIAR system and that a new SRF and the second call for proposals should include an explicit role for the ISPC in commenting on the coherence of the portfolio and the potential to achieve results.

25. FAO concurs with the team (para 262) that under any option there needs to be a clear and timely path for the evaluations to be reviewed and recommendations endorsed for the full value of an independent evaluation to be realized. The “CRP Evaluation Process for Finalization, Feedback and Decision-making” approved by the FC at its 12th meeting in November 2014 provides a platform for this. Under Options 1 and 2 (paras 97 and 144) the joint meetings of the FC and CB would, inter alia, commission, review and take appropriate decisions on periodic independent evaluations. Under Option 3 this responsibility would shift fully to the FC and under Option 4 to the CGIAR Council. To this set of responsibilities we would add the review of follow up of actions taken in response to the evaluations. FAO also suggests that there be further consideration of a role for the ISPC in facilitating discussions of programme evaluations by EIAC or the FC.

26. As other comments (Gerrard and Palenberg) on an earlier draft pointed out there is also a gap in the current evaluation structure i.e. the evaluation of the CGIAR Centers. CRP evaluations cannot cover governance and central functions supporting the research programmes that used to be covered in Center EPMRs. Effective programme implementation requires healthy, stable Centers. A key lesson from past Center management/financial crises is the importance of stakeholders getting timely information on these aspects, through monitoring and periodic independent evaluations and audits. Under options where there will be a more direct relationship between the Fund and Centers, FAO considers that the mutual accountabilities in this regard would need to be clarified including performance monitoring mechanisms and regular, independent evaluations of Center performance. Center evaluations could be added to the mandate of IEA with some adjustments of the Evaluation Policy. FAO further considers that Option 3 offers a more practical and efficient mechanism for such independent center evaluations which can conceivably be commissioned jointly by the CB and FC, with inputs from both the single support office and the ISPC, and implemented by the IEA.

27. FAO concurs with the proposal to maintain the IEA under all options as an independent structure with a reporting line to the Fund Council (or CGIAR Council in the case of Option 4). With regard to the MTR recommendation on separating between the IEA and ISPC the responsibilities for evaluation of results and quality of research, and the two options proposed by the options team (paras 264-265), FAO supports alternative a) to maintain the lead role of IEA for all evaluations, while calling for stronger links with the ISPC. Under this alternative the IEA could provide secretariat support to the EIAC (para 269). FAO also supports IEA’s ambition to proactively pursuing greater coordination with donors to reduce the number of donor-commissioned evaluations and reviews. In our view the assessment of research effectiveness and quality of science from CRP evaluations are interrelated, and the system should strive to avoid potential conflicts of interest in the ISPC to both advise and evaluate.

28. FAO maintains the desirability of its continued hosting of the IEA and IPSC, for the reasons noted in paragraph 240. It is not convinced of the argument (para 251) of their co-location with the Fund Office, Consortium Office (or CGIAR Office under Option 4) as being
more compelling compared with the rationales for (a) linking these functions to the pool of expertise in Rome as well as the Rome-based development organizations providing the fora for normative work and priority setting for food and agriculture; (b) promoting the neutrality of the IEA and ensuring professional networking with peers from other Rome-based evaluation offices. As the Gerrard/Palenberg comments on a March versions of the paper also note, other benefits of the privileges and immunities and ability to recruit internationally for the best persons could be lost if these functions are moved. Moving the functions from FAO would also open up questions as to the financing of the functions.

29. FAO supports the proposal (paras 252 and 255) for a more structured approach or incentives for the results of CGIAR research efforts contribute to, are applied by and are taken to scale by multilateral development organizations, including FAO, in their on-the-ground activities.

**GCARD and Funders Forum**

30. FAO considers that the GCARD process as currently designed fulfils the need for an inclusive public consultation on the work of the CGIAR. FAO supports the proposals (paras 274 and 276) for GCARD and the Funders Forum meetings to align with the cycle for development and review of the SRFs and CRPs.

**Partnerships**

31. FAO concurs with the team’s observation (para 280) that it will be necessary to have a system-wide strategic approach to establish impact partnerships for discovery and delivery. Past experience has shown that management of partnerships should not be overly centralized, and having a separate management unit for this runs the risk of becoming bureaucratic and inefficient. Under the adjusted Option 3 proposed (see paragraph 8 above), FAO recommends that the Consortium Board would continue to deal with partnerships at a policy level with guidance and support from the ISPC, while leaving partnership activities (research, delivery etc) to the Centres.

**Resource Mobilization**

32. FAO reiterates the importance of a strong SRF as essential for resource mobilization. FAO concurs with the team on the necessity for implementing an adequate rolling level of CGIAR liquidity to address the problems of mismatch and unpredictability of cash flows which are undermining the financial stability of the system. It encourages further consideration of the feasibility of the proposal (para 302) for a three year pledging of contributions from those resource partners who are in a position to adopt this, noting the constraints on some (including FAO) to commit to such a cycle.

33. FAO concurs with the team’s recommendations (paras 311-315) to simplify the legal documents and funds flow processes and enable more meaningful liquidity management.