

## Independent Evaluation Arrangement Evaluation of CGIAR Research Program on Policies, Institutions, and Markets: Management Response and Action plan April 12, 2015

*This Management response reflects the consolidated views of PIM Management (Director and Program Management Unit), PIM's Science and Policy Advisory Panel, the IFPRI Director General, and the IFPRI Board of Trustees. These entities together are referred to in the below as "Management."*

Management welcomes this evaluation. We thank the evaluation team and the Independent Evaluation Arrangement for conscientious and professional implementation of the review. We also thank the many researchers and partners who took time to provide input.

Management notes with satisfaction recognition of the significant body of research undertaken during the first three years of implementation of PIM, its quality, and the impact already achieved and likely to be achieved in the future. Management welcomes the recommendation that a program like PIM continue in the second phase of CRPs, and that IFPRI continue to lead and host the program.

Management thanks the evaluation team for incorporating a number of observations provided on an earlier draft. Several areas in which the evaluators have not responded to comments are elaborated below:

**Governance structures of PIM:** PIM is governed in accordance with the documents approved in 2011. The evaluators recommend changes in governance, and these recommendations are welcome. Changes in governance may be warranted, and should be consistent across CRPs. The IEA should provide an overview of recommendations on governance from the different evaluations. If the IEA agrees that each CRP should have its research program managed by a Steering Committee, that committee would need to be advisory to the Lead Center's Board.

**Conflict of interest:** Recommendations for change in governance are framed largely around management of potential conflict of interest deriving from the multiple roles that the Lead Center plays. A rapid reader of this report might conclude that the evaluators found actual conflict of interest operative, which is not the case. The changes in budget shares in 2015 compared to the previous years (the proximate cause of concern about conflict of interest) are explained by a number of other factors identified in the evaluation; e.g., change in strategic focus of the program, differential performance in delivery among participating Centers, and a decision to make strategic (rather than formulaic) cuts in light of the budget shock in October 2014. Research excellence and its potential impact should be the key criterion guiding all applications for PIM funding and evaluations of research outputs.

**Accountability of the PIM Director:** The evaluators find that "... the PIM Director has been allowed to exercise a great deal of autonomy and discretion in consultation with the structures that advise and report to her, and to establish new processes and procedures without getting them approved by a

higher authority.” The autonomy of the PIM Director is a valued asset for program management and a safeguard against conflict of interest. Lead Centers that have not granted CRP Directors autonomy have experienced difficulties managing competing interests. IFPRI went outside the CGIAR system to recruit an experienced manager with a track record of success, and grants her autonomy to operate effectively. The Director’s autonomy is exercised within a well-defined accountability framework, including performance reviews by her supervisor, IFPRI Director General, and oversight by the IFPRI Board. A decision to establish new approval processes should be taken carefully in light of the generally recognized reduced efficiency in decision making that has accompanied the CGIAR reform.

**Modeling work:** Overall the modeling work is found to be worthwhile and technically sound, but the tone of coverage of this subject in the report is oddly ambivalent. Management wishes to state unequivocally that the quantitative tools for scenario analysis at the farm, national, and global (both partial and general equilibrium) levels are essential to PIM’s mandate. The tools are confirmed to be of excellent quality in this review and in numerous peer-reviewed applications. The language applied to the modeling work in the evaluation is at times inconsistent. For example, on page 28 the evaluators note that on foresight modeling IFPRI should interact with others through the AgMIP network, while later in the same sentence acknowledging that IFPRI leads the Global Economics Team at AgMIP. On page 64 the participation of the PIM foresight modeling team in AgMIP is again noted. The evaluators refer to a “relatively large development team” of foresight modelers. PIM’s team may be considered large when the participants from all Centers and partners are included. The IFPRI group specifically responsible for development of IMPACT, however, is quite small (one part-time senior research fellow, one half-time senior scientist, and two research assistants) compared to the teams at IIASA, PIK, Wageningen University and Victoria University (10–20 modelers each).

**Exit of partners from the Collective Action and Property Rights (CAPRI) network:** Participants in the CAPRI network faced no higher transactions costs than other participants in inter-Center collaboration under any CRP. The decision of participants to exit was made because their home Centers chose not to join PIM, and/or selected other priorities for funding.

**Publications in “top three academic journals”:** The statement that “there were no articles published in the top three academic journals (*Nature*, *Science*, or the *Proceedings of the National Academy of Science*)” is not correct. See: Nelson, Gerald C.; Valin, Hugo; Sands, Ronald D.; Havlík, Petr; Ahammad, Helal; Deryng, Delphine; Elliott, Joshua; Fujimori, Shinichiro; Hasegawa, Tomoko; Heyhoe, Edwina; Kyle, Page; Von Lampe, Martin; Lotze-Campen, Hermann; Mason-d’Croz, Daniel; van Meijl, Hans; van der Mensbrugghe, Dominique; Müller, Christoph; Popp, Alexander; Robertson, Richard D.; Robinson, Sherman; Schmid, Erwin; Schmitz, Christoph; Tabeau, Andrzej; and Willenbockel, Dirk. 2014. “Climate change effects on agriculture: Economic responses to biophysical shocks.” *Proceedings of the National Academy of Sciences of the United States of America (PNAS)* 111(9): 3274–3279. <http://dx.doi.org/10.1073/pnas.1222465110>. Note also that these three journals are not considered the top ones in the professional domain in which PIM operates.

Notwithstanding the comments above, management is in full agreement with twelve, and in partial agreement with the other three recommendations of the evaluation. The response to recommendations and action matrix is presented below.

Management requests that the cost of this evaluation be stated in the final public version.

## Management Response Matrix / Action Plan

Evaluation recommendation	Management response to the recommendation	Management follow-up			
		Action to be taken	Who is responsible for action	Timeframe	Is additional funding required to implement recommendation
(1) A CGIAR Research Program like PIM on policies, institutions, and markets should continue in the second round of CRPs, starting in 2017.	Accepted fully.	FC invites IFPRI to develop a pre-proposal. IFPRI works with CGIAR centers and external partners to develop pre-proposal and proposal.	FC, IFPRI BoT, IFPRI DG, PIM PMU	June 2015- December 2016	No
(2) IFPRI should continue to host the management unit of PIM, and the IFPRI Board of Trustees (BoT) should put in place a conflict of interest policy to identify and manage transparently the institutional conflicts of interest that arise from the multiple roles that IFPRI plays in PIM.	Accepted partially. Recommendation on hosting accepted fully. Recommendation on conflict of interest should acknowledge that conflicts are potential, rather than actual. Policy should be consistent across CG system.	FC designates IFPRI as host/lead Center for successor program. CO drafts model conflict of interest policy for host/lead Centers of all CRPs. CB approves model policy. IFPRI BoT adopts model policy or modified version of model policy.	FC, CO, CB, IFPRI BoT	June 2015- December 2016	No

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(3) PIM should put in place an Independent Steering Committee in accordance with the recent (January 2015) agreement between the Fund Council and the Consortium regarding CRP governance structures for the next generation of CRPs. The Steering Committee should comprise representatives of the participating Centers as well as independent members that would have greater than their numerical say in the allocation of W1-2 resources. The IFPRI Board of Trustees should delegate programmatic responsibility to the Steering Committee while retaining the fiduciary responsibility for ensuring that the W1-2 funds are used for their intended purposes.	Accepted partially. The wording of the recommendation with regard to the role of participating Centers in allocation of W1-2 resources is unclear. Management argues that participating Centers have conflict of interest in allocation of W1-2 resources. Hence Center representatives on the steering committee should be a minority, and should be recused from budget processes.	CB and FC clarify guidance on governance structures for phase 2. IFPRI BoT appoints and receives advice from the Steering Committee. PIM (successor) will adhere to CG-wide policy on governance structures.	CB, FC, IFPRI BoT, IFPRI DG, PIM PMU	December 2016	Yes
(4) The Fund Council and the Consortium should jointly commission a study on the problems that the Centers are facing in sustaining their research infrastructures under the CGIAR Reform.	Accepted fully.	Commission study.	FC, CB	June 2015-December 2015.	Yes

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(5) The PIM Management Unit should put in place a consolidated, programmatic perspective of PIM activities to improve program management, monitoring, reporting, and oversight, as opposed to the current financial management perspective in which a single research activity supported by more than one donor, or one donor over several years, shows up as several different activities. This should also contain information on all the sources of funds that are supporting each activity.	Accepted fully.	Revise PIM system for recording activities to aggregate related but separately funded activities under one title.	PIM PMU	May 2015-December 2015	No
(6) PIM should continue to accommodate both upstream, discovery-type research and downstream, delivery-type research in a complementary fashion, without applying processes or criteria that unfairly disadvantage either type of research in the allocation of its W1-2 resources. This would also involve better information on the types of research being proposed at the project approval stage.	Accepted fully.	Continue to accommodate both streams of research. Assure that selection process is designed accordingly.	PIM PMU, Steering Committee	Ongoing	No

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(7) PIM should support a vibrant and innovative research program on the interface between science and policy that explores the conditions under which moving from scientific evidence to policy implementation becomes plausible. This would likely be a set of cross-cutting activities.	Accepted fully.	Include work on political economy in design of program for phase 2. Discussions about this started at the PIM extended team meeting on March 17-18, 2015.	PIM PMU, Steering Committee, Flagship Leaders, Focal Points	June 2015-December 2016	No
(8) PIM should support more opportunities for intellectual exchange and a greater diversity of scholarly disciplines to expand the choice of research topics, designs, and methods towards longer-term, multi-locational data collection and analysis that can help answer fundamental scientific questions in relation to poverty reduction, food security, and sustainable natural resource management.	Accepted fully. The current limitations on the predictability of funding hinder long term data collection efforts.	Include diverse disciplines in research. Support long term location specific data collection.	PIM PMU, Steering Committee, Flagship Leaders, Focal Points	Ongoing	Yes, for data collection.
(9) PIM and its flagships should adopt a more strategic approach to collaborating with other CRPs, including co-funding joint activities, that draws upon the strengths of PIM and the other CRPs to contribute to their respective IDOs.	Accepted fully.	CO establishes improved mechanisms for inter-CRP coordination. PIM actively participates in these mechanisms. Specific discussion of modalities for cross-CRP collaboration will be addressed at the CRP Directors' meeting in June 2015.	CO, PMU, Steering Committee	Ongoing, and CRP Directors meeting in June 2015	No

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(10) PIM should formulate an explicit capacity strengthening strategy to be implemented in conjunction with its Lead Center, IFPRI, including expanding research on capacity strengthening and putting in place a better tracking system for its capacity strengthening work.	Accepted fully.	Formulate strategy. Establish improved tracking system. Consider research on capacity strengthening if researchable issues arise in the course of implementation of the strategy.	PIM PMU, PIM Focal Point for capacity building	June 2015-December 2016	Yes
(11) The leaders of the three major modeling teams in IFPRI should explore possible synergies in their work and broaden their communities of practice to engage their clients and other modelers in reviews of model analyses.	Accepted fully.	Increase frequency of interactions between modeling teams within IFPRI. Continue already established collaboration with other modelers, as e.g. through the AgMIP group.	IFPRI Division Directors, researchers	Ongoing	No
(12) PIM should strongly support the new regional value chains hubs that are being pilot-tested during the extension phase to facilitate more engagement with local partners and to provide a forum for bi-directional knowledge and information sharing.	Accepted fully.	PIM is funding the hubs in 2015. The PIM PMU has worked with the hub teams to establish deliverables for 2015, and will monitor progress to assure good delivery and preparedness for 2016.	PIM PMU, Flagship leader	Ongoing	No

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(13) PIM should explore the extent to which other Centers or CRPs have unmet needs for trade analysis that PIM could provide through different types of collaboration. PIM should also seek opportunities for other Centers or CRPs to benefit from PIM's trade analysis work either by taking on tailored scenarios or by providing tailored reports of common analyses.	Accepted partially. Agree that use and application of trade research should be broadened. However, commodity centers do not have the staff for research on trade. It would not be wise for other Centers to hire specifically for this purpose, since it would be very difficult to build the critical mass required for research excellence in this field.	Work with Focal Points to understand unmet need for trade analysis in participating Centers. Include additional areas of high priority research on trade in design of phase 2.	PIM PMU, Flagship leader, Focal Points	Ongoing	No
(14) Flagships 1 and 4 should increase their attention to gender issues, by building on the innovative ways in which some of their activities are already addressing gender issues, by links with other modeling approaches, and by greater sharing of existing methodologies and data among Centers and flagships.	Accepted fully.	Develop concrete work program for 2016 and beyond.	PIM PMU, Flagship leaders, Gender Lead	June 2015-December 2016	No



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(15) PIM should complete its plans to put in place a monitoring system to track the level of attention to gender issues and to validate the claims that the activity proposals and progress reports make in relation to gender.	Accepted fully.	Develop such a tracking system.	PIM PMU, Gender Lead	June 2015- December 2015	No