

**IITA Board of Trustees Meeting
December 7 to 10, 2011
Dar es Salaam, Tanzania**

Summary

Bruce Coulman, incoming Chair of the IITA Board, stepped into chair the meeting as the current Chair, Bryan Harvey had a family emergency and was unable to attend. In his opening remarks the Acting Chair reminded board members of their role and responsibilities, i.e. to focus on governance not management, strict adherence to the Institute's conflict of interest policy and disclosure of areas of possible personal interest, and the importance of reading all the Board material and being fully prepared to engage in the discussions.

The Chair welcomed new Board members:

1. Ezekiel Oyemomi, Permanent Secretary of the Federal Ministry of Agriculture and Rural Development of Nigeria.
2. John Griffith, Governance and Management Consultant. Formerly of the World Bank and McKinsey and Company – Retired.
3. Xikombiso Mbhenyane, Professor of Nutrition, University of Venda, South Africa
4. Hillary Edeoga, Vice Chancellor, Michael Okpara University of Agriculture, Umudike, Nigeria

IMD Report

Representatives of IMD Consulting, an arm of IMD, a business school in Switzerland that had been engaged by IITA over the past year to assist IITA in developing a business plan for the Institute in the context of its Strategy 2011-2020, presented its findings and recommendations. The report focused on four key areas: (1) improving fundraising, (2) improving IITA's operational effectiveness, (3) assessing the viability of the innovation park concept and (4) improving board effectiveness. The Board considered the recommendations to contain very useful elements for implementing the Institute's strategy and building sustainability for the long term.

Board Awards

The DG agreed to put in place the process for selection of staff members for the 2011 Board awards according to the same categories as was done in 2010. An ideal time to hand out the awards will be at the April 2012 Board meeting.

Highlights from the Board Chair's Report

The Acting Chair read the key points from the Board Chair's written report:

- The need to clear the misinformation about the importance of banana and plantain as a starchy staple, which according to the FAO's classification fell below the interest level of major donors and their funding horizons. IITA's own data indicated that banana ranked behind only cassava, maize and rice in its importance as a starchy staple.
- Disease free cassava was an important technology to get IITA varieties to farmers. While it was essentially a development and not research function it was a necessary function since no other entity was doing it.
- There was unlikely to be sufficient funding from traditional sources to engage in all the activities that IITA needs to engage. Therefore, new sources of funding were required. One of these sources was through the private sector and the other through generation of funding. It would require a huge step

forward managing the Institute's intellectual assets and strengthening IITA's in house expertise in this area and having the right policy environment to facilitate it.

Report of the DG

The Board endorsed the rationale and the proposals presented by DG Nteranya Sanginga for organizing IITA to implement the IITA Strategy 2011-2020, aligned with the CGIAR reform and incorporating some recommendations from IMD. It gave emphasis to the importance of collaboration and partnership in fulfilling IITA's mission. In terms of costs, the Board understood that the organizational changes will not incur major costs as in most cases many of the units and personnel were already incorporated in the cost structure. New areas and vacant positions such as capacity building and legal, would only be established and filled if additional funding, currently in the pipeline was confirmed.

The DG also outlined the areas of priority and specific deliverables he expected to meet during the next twelve months.

Report of the Executive and Finance Committee

Investment

The Board received a status report on the non-performance of IITA's investments in hospital receivables and immediately set about defining a series of steps towards recovering the greatest amount of the funding at the least (most reasonable) cost with maximum transparency of actions and protecting IITA's reputation and financial stability. After extensive discussion and input from members, a plan of action was subsequently developed and approved.

2011 Budget and Expenditures

Based on results up to September 2011, IITA expected to record a positive change in net assets of approximately \$303,000 compared with the projected amount of \$87,000. Grants totaled \$56.3 m, \$15.8 million as stability funding from the Consortium, and restricted and challenge programs grants of approximately \$36.0 m.

CGIAR performance indicators up to September 2011 were within or above the CGIAR benchmarks.

2012 Budget

The 2012 budget was estimated at \$53.471 m consisting of funding from Windows 1 and 2 in the amount of \$16.65 m and restricted grants of \$36.821 m. The 2012 budget was totally aligned programmatically with CRPs. All CRP funding was restricted. As the lead center IITA would receive the funding for CRP1.2 and allocate it to other centers and partners. Similarly IITA will be receiving funds from the lead centers for other CRPs in which it is a participating center. Funding for the CRP included routine capital investments and an indirect cost ratio of 19.3%. IITA has budgeted \$0.806 m for CRP 1.2 management. It was noted that several bilateral projects under discussion were likely to come to fruition leading to an increase in the 2012 budget.

2011 Audit and 2012 resource Issues

On the assumption that there will be minimal success in recovering the direct investment within 2011 and 2012, the Board recommended:

- (1) Restrictions on all capital investments from the capital fund for the time being with respect to hub development, renovations, etc., unless special funds could be identified.
- (2) Tanzania facilities could be completed as planned but cost over runs must be avoided. Payments to date totaled \$3.0 m and an addition of \$3.5 m was anticipated to cover construction costs.

(3) Return of \$5.0 m to the operating reserve that had been previously transferred to the capital fund.

Audit Committee

Topics of discussion by the Audit Committee were business continuity planning, health and safety related activities, assessment of the most significant risks of the Institute, the internal auditors report, and the need to develop a contingency plan for the Cotonou Station in the event Africa Rice vacates the IITA offices they were currently occupying.

The key discussion by the Audit Committee centered round the latest position on the investment. It was very concerned about the impact on IITA if the investment was not recovered. The AC recommended that all steps be taken to ensure that investment was recovered to the maximum extent possible. The AC also recommended that the Institute returns to its pre-September 2008 investment policy and a process agreed as to how the settlement would be handled.

Report of the Program Committee

Based on the report of the DDG R4D and the Directors R4D, the PC concluded/recommended as follows:

STCP Update. Cocoa production in West Africa was under threat and research was needed to provide improved plant material and production methods. CRP1.2 on the Humid Tropics could provide a home for IITA's renewed research involvement in cocoa development.

NRM CCER Action Plan. The PC was pleased to see the action plan in place and appreciated the proposed appointment of a new Director for R4D with the responsibility for Natural Resource Management.

IITA Program Reporting. The PC was pleased with the standardized format for reporting, as it provided highlights and the challenges/gaps in each program. The PC recommended that the Board requests IITA to retain the same format for reporting under the CRPs. The PC was still concerned with the lack of new funding for Banana and Plantain and recommended that Management remained on the lookout for opportunities here.

Update on CRP Status. The PC appreciated the effort put into the seven CRPs with which IITA is involved and was pleased to see that the process of implementing them was well on its way.

New Program and Management arrangements for R4D in IITA. The PC recommended that the Board endorse Option 2 of three reorganization options presented. Option 2 would allow the regional R4D Directors to exercise disciplinary responsibility according to their competencies as well as serve as regional managers for IITA's complex programs, carrying out both administrative functions and outreach to local partners.

The PC recommended that the Board suggests that IITA's management of CRPs was kept as streamlined as possible, preferably with one person given responsibility for providing overall leadership for IITA's involvement in each CRP.

Recruitment of DDG-R4D. The PC had no objections to the contents of position description for the DDG-R4D, but agreed that a more inspiring opening section in the description might attract more candidates. Board members offered to provide some draft language for this purpose.

The PC recognized that it was IITA's responsibility to recruit and hire the new DDG-R4D, but suggested that the Board might recommend that IITA consider using a consulting (head-hunting) firm, to ensure as broad a list of candidates as possible. The PC Chair should support the recruitment process as much as possible.

Report of Human Resources

- The HR Committee reviewed the IITA staff profile at the overall institute level and by CRP. CRP1.2 (Humid Tropics) accounted for greatest number of full-time equivalents (FTE) followed by CRP 3.2 (Roots, Tubers and Bananas). All budgets were aligned with the FTE although it was noted that different amounts of resources were available for scientists in each one of the CRPs.
- The two main conclusions from the NRS survey were: (1) Staff was proud to work at IITA, most were happy with their supervisors, with the workplace and work life balance; (2) the perception of job insecurity, inadequate remuneration, inadequate communication and 31% indicated experience of intimidation, harassment or discrimination.
- Feedback from the NRS on the new health scheme indicated appreciation of the ability to go to a hospital of choice and receive coverage. A major concern was the requirement to pay up front and seek reimbursement later if not registered at a particular hospital and the fact that reimbursements were invariably delayed.
- Since the discussion of the IITA gender strategy and implementation plan at the last meeting, a Consortium level gender and diversity strategy had been developed and all CRPs expected to define gender strategy indicators within 6 months of CRP approval.

Proposal for alignment with ICIPE

Under the former leadership of IITA, initial discussions had taken place between ICIPE and IITA about a merger between the two institutes as well as TSBF with the intention of establishing a strong African based institute combining agriculture and health. Recent changes in the environment with the CGIAR reform and in the absence of any strong endorsement from the donor community and significant differences in governing structure of the three institutes, the decision has been taken to discontinue pursuit of a merger. Instead, the institutes would work towards establishing a health and natural resource management hub for Africa located at the ICIPE campus, which is currently the base for the International Fertilizer Development Corporation and TSBF and the intended base for IITA's NRM team.

Emergency Evacuation

The Board discussed the responsibilities of management and the Board in the event of an emergency situation that required evacuation of all IITA staff. It concluded that the DG in collaboration with the Board Chair would be required to communicate the various options to the Board and the decision taken by the Board.

IMD Report

The Board discussed the IMD report and thanked Hans Joehr and Dean Lewis for leading the study. They considered it an excellent report that touched on the key issues that affected both governance and management of the Institute. It endorsed the findings. The Board reached the following conclusions:

1. IITA management should develop an implementation plan for the IITA Strategy, with key performance indicators that incorporated elements of the IMD report that the DG considered essential for moving forward. The implementation plan and the refreshed Strategic Plan would be prepared for the fall 2012 meeting of the Board.
2. While the innovation park might be a valuable concept, further development should be deferred as there were a number of other fundamental issues that should be given priority. Furthermore, the campus at Ibadan would have to go through a major infrastructure upgrade before IITA was in a position to attract organizations to the Ibadan campus.
3. A Board subcommittee of three members consisting of John Griffith, Roel Merckx and Trine Hvoslef-Eide agreed to review the governance issues from the IMD report and develop recommendations for discussion by the Board.

Farewell

As its last item of business in the Open Session, the Board said farewell to Board Members Nthoana Tau Mzmane and Dean Lewis who were leaving the Board at the end of their six year term.

Board Self Evaluation

Overall results of the board self-evaluation exercise conducted after the 2011 Board meeting were below the norm. Only 6 board members responded and their perspectives were generally more critical than the perspectives from earlier meetings. On a scale of 1 to 5, 6 questions rated less than 4 although nothing was rated lower 3.33. The same issue as in previous exercises on the knowledge about the strengths and weaknesses of the major programs received the lowest rating.

Review of Management and Administration

The Board endorsed the DG's recommendation to conduct a CCER on management and administration as had been proposed in earlier meetings of the Board. Plans were to conduct the CCER in early 2012. The TOR would be developed and discussed with the Chair of the HR Committee and shared with the full Board.

Report of the Nominating Committee

The following Nominating Committee decisions/recommendations were approved by the Board:

1. Criteria for filling the next vacancy on the Board: (1) Disciplinary expertise: Economics (2) Regional Representation: USA and (3) Emphasis to female candidates
2. To adopt the policy of appointing successors to the Vice Chair and Committee Chair positions at least six months prior to the date the appointment takes effect. This allows the successor to become familiar with the workings of the committee
3. To extend the appointment of Emmy Simmons as Vice Chair and as HR Chair until the expiration of her term as a Trustee in the fall of 2012 and to appoint successors by the April 2012 meeting.
4. To extend the period of Trustee committee memberships from two to three years to coincide with terms of membership on the Board.
5. Appointment of Yo Tiémoko to a second term until 2014.

Director General's Workplan 2012

As its final item of business the Board met in camera and approved the Director General's Workplan for 2012.