

**19 April, 2001**

**PARTNERSHIPS AT THE LEADING EDGE:  
A DANISH VISION FOR  
KNOWLEDGE, RESEARCH AND DEVELOPMENT**

**REPORT  
OF THE COMMISSION ON  
DEVELOPMENT - RELATED RESEARCH  
FUNDED BY DANIDA**

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Appendix: Terms of Reference for the Commission

## CHAIRMAN S PREFACE

Danish aid to developing countries is on the whole generous, well directed and well informed. Different parts of the many-faceted system for policy-making in the field of development was established at different points in time. On the whole it functions well, though one would probably design the system in a different way if all was to be reconstructed from scratch . Policy makers are all the time intent on learning — several programs of Danish development aid have undergone critical review, and changes have been made on the basis of the conclusions drawn and recommendations made.

Indeed, a strong belief permeates Danish political culture: that policymaking should be based on solid knowledge. This is expressed not only in the nature of the documents presented to Parliament (Folketinget), but in the way these documents are produced, drawing on different types of research, analysis and evaluation, but also in the process before their presentation, which often are based on open hearing and public debate. This also holds for policy-making at the local level, and indeed throughout the civil society as well. The culture is rationalistic in the sense that political measures are sought and selected for their effectiveness in reaching goals and efficiency in using resources. Political legitimacy of political programs — such as development aid — depend not only on whether they are well intended, but whether they will work and whether public resources are frugally used.

This culture pervades all ministries — they all spend millions on research to inform and improve their own decision-making. The Ministry of Foreign Affairs is special in the sense that it has its own research council, but like many other ministries it directly finances research institutes. In addition there is a broad use of consultancies and calling on researchers for conferences and seminars is widespread. This culture makes Danish policy making ambitious.

In 2000 the Minister of Development, Jan Trøjborg wrote:

In the future, research will have a much stronger position in Danish aid. Denmark will

- be in the forefront regarding development research
- command international respect and
- be able to produce researchers for international research institutions as well as to
- attract internationally renowned researchers to Denmark. We shall
- ensure that appropriate synergies are created between Denmark s development policy objectives, concrete development efforts and research activities funded by Danida.

Research can contribute

- to safeguard the quality of our aid,
- partly through the accumulation of experience and scientific knowledge,
- partly through knowledge management

This is, no doubt, a tall order: Danish development research is not only to be at the cutting edge and internationally outstanding — it is to be highly relevant and have a strong impact on policy as well.

This ideal claim is challenged by two different, somewhat fuzzy yet conspicuous counter-pictures — one lodged in the community of researchers, the other in the community of policy makers.

Researchers tend to feel that they have made important observations and interesting explanations, yet there is no eager political audience for their work. Sometimes they suspect that not all reports are equally well read in the ministry, and feel that not enough notice is taken of research results, too few traces of them are found in policy documents and that at joint seminars the attention of civil servants and politicians tend to drift.

Policymakers tend to feel that what researchers contribute is not relevant, that reports often are verbose and that interesting inputs for public policy-making are found elsewhere, such as in international journals or meetings — particularly on emerging issues. Those who inhabit the world of theory tend to ask questions different from those who inhabit the world of policy. Policy makers seek advice from consultants as well as researchers

In short: The order is tall — the frustrations are mutual. On the one hand policy makers deem research to be crucial and researchers in the development field policy choices to be critical. Yet the mutual perceptions are out of synch. To put it in the sharpest of terms: Where the one group feels nobody listens, the other feels their opposite numbers have little to say.

It must be added, however, that this uneasy feeling also is tempered by the fact that funds for research is provided by the ministry and that perspectives from research pop up in the conversations of officials and speeches of policy-makers. The uneasy feeling, though manifestly present, is also unevenly distributed among fields of research and levels of hierarchy. And both groups think the situation can and should be improved. It is like a marriage where both parties believe something is left to be desired and both agree that something can be improved.

The uneasy feeling is expressed in the Terms of Reference for the present Commission on Development Related Research:

In recent years a number of factors have led to a need to reconsider the future of the sector. The key factors include (a) the formulation of Denmark's new development strategy Partnership 2000 ; (b) the need to develop new capacity on emerging problems, for example globalisation, trade and financial liberalisation, AIDS, social exclusion, sector wide approaches, etc; (c) the development of indigenous research capacity in developing countries, in itself much to be welcomed, but posing new challenges for the Danish development research sector; and (d) a multitude of funding mechanisms in Danida.

At a time of rapid change in the world, and also about greater uncertainties about future development trends, it was felt opportune to appraise the role of Danish development research sector and the contribution through research, teaching and consultancy to international as well as Danish development goals and to formulate a new strategic framework for future Danida support to guide participants in the sector.

Hence the Commission was established to learn whether anything could be done to improve learning for policy making in a rapidly changing world.

The terms of reference for the Commission requests that it carry out a study the research funded by the Ministry of Foreign Affairs/Danida and the related teaching, training consultancy and information management. Specifically the objective of such a study should be:

Taking account of the international context, to examine Denmark s future role as a provider of development research by:

- Assessing the utility of present research activities in relation to the needs in Denmark and in developing countries, and
- Assessing the strength and weaknesses, problems and opportunities facing the sector (including intellectual, financial, structural and institutional)
- Making recommendations on research priorities and organizational framework for the future development of the sector.

The members of the Commission were:

Gudmund Hernes, Director IIEP, Paris (Chair);  
Simon Maxwell, Director, Overseas Development Institute, London;  
Cyrus G. Ndiritu, Director (Rtd.) Kenya Agricultural Research Institute;  
Delphin G. Rwegasira, Executive Director, African Economic Research Consortium, Nairobi;  
Pieter Streefland, Professor, University of Amsterdam;  
Torben Brylle, Under-Secretary, Ministry of Foreign Affairs, Copenhagen.

Niels Dabelstein, Head of the Evaluation Secretariat, Ministry of Foreign Affairs, acted as Executive Secretary for the Commission.

In order to carry out the requested assessment, the Commission has been assisted by a core team from the Christian Michelsen Institute (CMI) in Bergen. Its analysis is supplemented by and in part builds on the reports of three teams each addressing the situation in health, agriculture/natural resources and the social sciences respectively. These teams have consulted a broad range of researchers and research institutions. Their work was ably facilitated by Ms. Trine Paludan Jacobsen, Development Associates. The following reports and papers were produced and are appended to this report:

*Danida and Danish Development Research: Towards a new Partnership.* Gunnar Sjørbø and Johan Helland, CMI  
*Review of Danida funded research in Agriculture and Natural Resources.* Malcolm Blackie, Piers Blaikie and Michael Stocking, University of East Anglia  
*Review of Danida funded research in the Social Sciences.* M.A. Mohamed Salih, Institute of Social Studies, the Netherlands and Caroline Thomas, University of Southampton  
*Review of Danida funded research in Health.* Claus Ola Solberg, University of Bergen and Pieter Streefland, University of Amsterdam

In addition, a special paper on current thinking on research for development was commissioned:

*Some New Ideas About Research for Development.* Erik Arnold, Technopolis, UK, and Martin Bell, SPRU-Science and Technology Policy Research, UK.

The assessment provided here by the Commission is to a large extent based on these reports, which were submitted to the interested parties (the draft report from CMI was posted on the Web as well). Many availed themselves of the opportunity to comment in writing on the draft reports, inputs that proved very valuable for the Commission.

In addition the Commission itself has arranged a conference with the Danish research community on 2<sup>nd</sup> of November 2000. 43 researchers attended this conference. Meetings have also been held with the Council for Development Research (RUF) as well as with officials from Danida. Individual members of the Commission have had meetings with a broad range of institutions and individuals.

The Commission has met five times. Extensive work has been conducted through cyberspace between the meetings with exchanges of drafts and comments.

On behalf of the Commission I want to express my sincere thanks for the intensive work and incisive input provided by the sub teams and the excellent coordination provided by the executive secretary. Similar thanks also go to the all the professionals in both the communities of researchers and administrators that gave of their time and experience, providing insights and posing questions. Without their efforts and generosity — and sometimes-raised eyebrows — this report would have been very different and much poorer.

The report is now submitted to the Minister — and through her, to the professional and political community in Denmark as well. The Commission hopes it will be a contribution and point of departure for the participants in the rationalistic and engaging Danish political culture — which may be animated if some emotions are triggered as well.

*Gudmund Hernes*

## **1. Introduction**

1. Danida spends over DKK 300 million per year on research. Why? To what effect? And with what vision of the future? These, in brief, were the questions the Commission was charged to answer.
2. The report begins with knowledge - why it matters to development, and why the production of new knowledge, in other words research, should be funded by the public purse. An assessment is offered of development research in Denmark. The principles that should guide a new vision are summarised. And, finally, recommendations are made: for a new policy, a new approach, new modalities, and a greater contribution to Danida's key objective of poverty reduction.
3. The Commission's vision is of a future in which Danish development research: is given higher priority; is better integrated into the mainstream; more accurately reflects both development needs and Denmark's comparative advantages; is of more use to policy-makers; has stronger links to capacity-building in developing countries; and is more accountable to its stakeholders in both North and South. This is an ambitious vision, and the challenge it represents should not be underestimated. Meeting it will require new partnerships, between Danida and the research community, and between Denmark and its development partners: partnerships at the leading edge.
4. The report is short, but a full background report is available, prepared for the Commission by the Christian Michelsen Institute (CMI) in Bergen. That report in turn is supported by four other reports, one dealing with the general issue of research for development, and three reviewing Danish research in the fields of agriculture, health, and the social sciences. There has been wide consultation. Many dozens of people have been interviewed, have participated in meetings, or have commented on drafts. The Commission is grateful to them all. It is not possible in these few pages to reflect the richness of the discussions or the written material collected. The Commission commends to the readers of this report both the CMI Report and the background papers.

## **2. Knowledge, Research and Development**

5. No development agency can ignore the role of new knowledge in reaching international development goals. The role of the Green Revolution in creating jobs and holding down food prices is a case in point; the importance of medical technologies such as vaccination and oral rehydration therapy for the control of infectious disease is another. The extraordinary reductions in poverty that have taken place since the Second World War, chronicled in the World Bank's World Development Report for 2000/1, could not have taken place without the systematic application of new knowledge, in areas which affect all aspects of people's lives: as learners, workers, carers, and social actors.
6. This will be no less true in the future. Indeed, the world faces unprecedented challenges and demands for new knowledge. World population is expected to increase by a half by 2050, and must be fed. Urbanisation will accelerate, so that by 2030, about 60 per cent of all people in developing countries will live in cities, and will need urban jobs. Migration will increase, most in developing countries. The stresses on the global commons — air, water, forests, and seas — will all intensify. There is no question that knowledge will become ever more important for coping with and managing change, in rich countries and in poor ones, for rich people and for poor ones.

7. Meanwhile, knowledge is growing exponentially. The possibilities are boundless and exciting: in electronics and information technology; in biology and genetics; in materials science; in energy; even in social science. However, the questions a development agency must ask are knowledge for whom, for what purpose, at what price, and on what conditions? Will new knowledge be available to meet the needs of the poorest, to generate livelihoods and increase welfare; or will it become a market commodity, largely the preserve of the private sector, and targeted to those who can pay? The risks are real that new knowledge will increase world inequality and even deepen poverty. Take genetic engineering as an example: many thousands of hectares in North America are profitably planted to genetically modified organisms, but there are few signs yet that the public, environmental effects have been adequately considered. Furthermore, large investments in genetically modified organisms by the private sector are not producing solutions tailored to the needs of small farmers in drought-prone, salt-affected or cash-constrained farming systems in developing countries: the market is too small. Another example is the availability of effective and cheap drugs for the large and poor populations affected HIV-AIDS in developing countries. Knowledge is available to produce effective drugs, but its ultimate products are out of the reach of those who need them most. Needs not weighted by purchasing power does not translate into effective demand.
8. There is a lesson here. It is not that the private sector has no role to play, far from it. It is rather that the private and public sectors have complementary roles. In many respects, knowledge is a public good, in which there will be under-investment if the market is left to itself. Sometimes, knowledge is a global public good, as would be the case, for example, with a malaria vaccine — yet it may not be produced unless special measures are taken. Sometimes knowledge is a national or local public good, such as, for example, an agricultural technology tailored to specific soil conditions. In either case, the public sector has a responsibility — not necessarily to generate new knowledge itself, but certainly to guide, direct, inform and fund the production and use of new knowledge. Sometimes, new knowledge will be funded initially by the public sector and be taken up, developed, and marketed by the private sector: in these cases, the private sector has a special responsibility to serve the public interest, which governments must regulate. A possible way forward is enhancement of ventures between public and private sector research organisations jointly to develop and market products, like some medicines, which are directly relevant for poverty reduction. At other times the question is not so much generating knowledge as transmitting existing knowledge to new areas and translating it into new applications.
9. Many factors come into play in shaping how knowledge is used. Sometimes the priority is not the production of new knowledge *per se*, but rather what might be called creative imitation. We should beware of simple science-push models of innovation, which imply that new science is both a necessary and sufficient condition for technical change. An examination of the whole innovation system is needed, involving research, but also education, intellectual property rights, standards, and the infrastructure required for the application of new and existing science. In a development context particularly, these other links in the innovation chain are vital, and are likely to need strengthening.
10. To say that innovation is a complex process is not to say that research is not needed. It is: to solve knowledge and knowledge application problems, develop new skills, and facilitate creative imitation and learning — in addition to its intrinsic value for personal and social growth. And just as technology is changing, so is research. Today, solving



knowledge problems needs many disciplines working together, in new kinds of networks, in new kinds of partnership with the private sector, and with greater attention to dissemination and diffusion. Moreover, the production and application of knowledge that specifically focuses on how to use the results of research in situations of poverty and deprivation should be accompanied by activities aimed at maintenance and improvement of the public services required to deliver the products of new knowledge.

11. If development agencies are committed to using new knowledge effectively, they need to invest in research and knowledge systems, both at home and in the South. Sometimes, the investment can be driven prescriptively or instrumentally by the need to find immediate solutions to pressing problems. However, investment in research and knowledge systems must also help to build and sustain long-term capacity, including the capacity to research problems not yet on the immediate agenda.
12. Denmark recognises all of this in its own, domestic policy. It has a sophisticated research infrastructure, in both the public and private sectors. Expenditure is above the European average. It has strengths across sectors, and in different types of institutions, including its six research councils, ten universities and many specialist research institutes. Denmark recognises the intellectual independence of the research sector, and also the responsibilities (e.g. accountability, dissemination) the sector takes on in return for funding. It also has a strong tradition for drawing on science in policy-making.

### **3. Development Research in Denmark**

13. Denmark also recognises the importance of development research — meaning mainly research about, or of relevance to, developing countries, and Denmark's relations with such countries. The new development policy, *Partnership 2000*, says that Denmark will  
promote knowledge production that will benefit the developing countries, as well as their own capacity to produce and use knowledge as a key prerequisite for sustainable development. (p 26)

The Commission would add that development research is also of benefit to Denmark itself, as a trading country with strong economic and cultural ties to many parts of the developing world.

14. The CMI report contains a detailed account of how the Government's commitment is currently put into effect. Development research is a poor relation in mainstream research. This is unfortunate, given Denmark's role and ambitions in the world, and is a point addressed below. However, the Ministry of Foreign Affairs (Danida) carries the flag for development research. It spends about DKK 320 million p.a. on a variety of programmes in Denmark or internationally, and a further substantial (but hard to track) amount on projects in developing countries, through country or sector programmes. In Denmark, the main programmes are research funded through the Council for Development Research (RUF), four specialist centres on different topics, three research networks, a twinning programme with developing country institutions (ENRECA), and a substantial contribution to international/regional research Institutes. Table 1 summarises the budgetary outlay. This money leverages a further, large research effort within the University system particularly, which contributes staff time and basic facilities.

**Table 1**  
**Danida outlay on research, 2000**

	<b>DKK (m)</b>	<b>%</b>
<b>Council for Development Research (RUF)</b>	<b>49.0</b>	<b>15.4</b>
<b>Danish Centres</b>	<b>73.4</b>	<b>23.0</b>
Centre for Development Research	(24.0)	(7.5)
Danish Bilharziasis Laboratory	(29.4)	(9.2)
Danish Institute for Seed Pathology	(13.0)	(4.1)
Danish Forest Seed Centre	(7.0)	(2.2)
<b>Networks</b>	<b>6.7</b>	<b>2.1</b>
ENRECA Health Network	(0.8)	(0.3)
Agricultural Research	(1.0)	(0.3)
Poultry	(4.4)	(1.5)
<b>ENRECA</b>	<b>59.2</b>	<b>18.6</b>
<b>International research</b>	<b>130.3</b>	<b>40.9</b>
CGIAR	(69.0)	(21.6)
WIDER, IFPRI, IFLA/ALP, SABDET, ELDIS, INASP.	(10.4)	(3.3)
WHO	(30.0)	(9.4)
Other	(20.9)	(6.6)
<b>Total</b>	<b>318.6</b>	<b>100</b>

Source: Danida

15. Much of this research is very good; some of it is excellent. For a small country, Denmark has notably good research capacity in the development field. It has also demonstrated a commitment to building research capacity in the South, through ENRECA and the sector programmes. Box 1 lists some examples of success, selected from the background reports. At the same time, and without underplaying the strengths, the Commission finds that there is work to do. Box 2 provides an illustration of the issues by taking one case, the Centre for Development Research, but this is illustrative only: the questions are general.
16. First, Denmark as a country needs a coherent vision of how development research contributes to knowledge, how knowledge contributes to development, and how Denmark itself can best underpin development-oriented knowledge societies — in both North and South. The vision needs to be formulated nationally because development research, as noted, has wider implications. As a topic, it is currently neglected by the mainstream research councils, and this is unfortunate: the lack of linkage of Danida-funded research with overall, national research policy in Denmark means that opportunities for influence and synergy are lost.
17. In this context, overall institutional capacity is important. A quarter of the available funding from Danida is directed to four independent centres in Denmark, whose own relationship to the mainstream system is potentially problematic. Outside these centres, Danida effectively only pays the marginal costs of research, leaving universities to pay

for salaries and facilities. This can be a sensible division of labour if development related research receive appropriate priority, and provided that salaries and facilities are available on a sufficient scale, but sometimes they are not, for example in the case of some ENRECA projects. It would be unfortunate if development research were constrained by the lack of complementary funding, or if Danida were perceived to be free-riding on the universities and other research institutes. A holistic view of capacity requirements in Denmark is lacking.

### Box 1

#### Danish research contributes to poverty reduction and development

For many years, development policy was dominated by a Washington Consensus about the importance of stabilisation, liberalisation and structural adjustment. To-day, a new, Post Washington consensus promotes a more gradual approach, a greater emphasis on institutions, much more concern for the welfare of the poor, and a better understanding of global markets. Long-term research at CDR in agriculture and rural development, perhaps initially seen as unconventional, even radical, foreshadowed recent changes in policy. New research at CDR on global agricultural commodity chains positions Danish researchers and policy-makers at the forefront of current debate. (see Friis-Hansen (ed) 2000, Agricultural Policy in Africa after Adjustment, CDR, Copenhagen)

The control and prevention of infectious disease, through the availability of oral rehydration therapy, antibiotics and high coverage vaccination programmes, has contributed tremendously to the lowering of infant mortality in developing countries during the past 25 years. Danish health research has contributed to the effort from an interest in and emphasis on the perspective of the ill people themselves and on that of the users of health care, on equity in health care provision, and on the importance of care at the community level. Major examples are the work of Susan Reynolds-Whyte and her partners on the availability and use of curative drugs for and by the poor in Uganda, and of Peter Aaby and his partners on the impact on and implications of vaccination for immunity among children in Guinea Bissau.

The ENRECA project "Improved Livestock Production. Research Collaboration Denmark -Zimbabwe" started in 1990 as a partnership between Department of Animal Science, University of Zimbabwe, Department of Animal Science and Health, the Danish Royal Veterinary and Agricultural University, and the Department of Animal Nutrition, Danish Institute for Agricultural Science. The research activities aim at understanding and describing the farming systems and develop, test and apply new methods for improving the small-scale cattle and poultry production through locally produced feed. The farmers participate actively in the on-farm trials and select new research topics. This approach is new in Zimbabwe, and has influenced the research agenda at the University. Research results on homegrown protein feed and feed conservation methods have been taken up by the farmers and extension workers and spread to other farmers. The success of the project is ascribed to the balanced co-operation between the qualified and dedicated researchers on both sides, the cross-disciplinary orientation and the active involvement of the farmers.

18. In terms of current activity, the Commission notes the historical legacy of research funding through RUF and the specialist centres, which concentrates resources on three sectors, health, agriculture, and social sciences. Development research in Denmark cannot be expected to cover every sector, but the rationale for the present distribution is not evident. There are notable gaps in the range of research areas covered, in which Denmark might be expected to have a strong comparative advantage, for example, sectors like information technology and engineering, which will have a big part to play in poverty reduction programmes for the developing world. *Partnership 2000* also identifies key areas of intervention that are not well served by research in Denmark: the social/preventive aspects of HIV/AIDS might be an example, the economic consequences of globalisation another.
19. The institutional structure of research in Denmark is complex. Diversity and a degree of competition are usually desirable in research systems; and Danish researchers have

invested heavily in networks to improve communication. However, the division of responsibilities (and the comparative advantage) of university departments and specialist institutes is not clear in Denmark. As the principal funder of development research, Danida has some responsibility for facilitating change.

20. Partnerships with the private sector are not well developed. For example, the consultancy sector is particularly large and well respected in Denmark, and is involved in policy analysis that would be recognised as research in most countries. The same can be said of NGOs. Yet these stakeholders are not recognised in the research system, for example as members of research councils.
21. There are real problems in translating research into policy, and in building strong links between researchers and policy-makers. Danish development research institutions are latecomers to modern forms of dissemination; some research is not well attuned to the needs of Danish development co-operation; and Danida as an agency does not always absorb relevant research findings available from the Danish research sector. Action is needed on both sides, based on a clearer understanding of the differences between research and policy-making.

## **Box 2**

### **Issues for the future?**

#### **The Centre for Development Research**

CDR is Denmark's leading centre for research on socio-economic aspects of development - and it has choices to make. What should be its research focus? How far should it respond to Danida's agenda and short-term need for policy advice? What weight should it give to dissemination? How should it position itself in relation to the University system? And how should it develop institutionally? The way these questions are answered will shape CDR in the future, and have a large impact on the capacity both of the Danish research sector and Danida as a development agency.

Underlying these questions is the key issue about what distinguishes CDR from other multi-disciplinary centres in the mainstream system, for example International Development Studies at Roskilde University. Is it the range or style of research? The focus on policy? The outreach and dissemination? What, in short, is the unique selling point of CDR? Should it be merged or aligned with related Danish research institutions?

At present, CDR is an autonomous research institute, but with a Board appointed by the Ministry of Foreign Affairs, and a core grant from the Ministry of some DKK 24 million p.a. Furthermore, Danida is a major customer for CDR's research findings and policy advice. The agency, therefore, cannot escape engagement with questions about the future of CDR.

Research is at the heart of CDR's mandate, but it cannot reasonably be expected to be a centre of expertise on all aspects of development. Its thirty-odd researchers work in four research themes (the political economy of globalisation; managing development: people, states and international organisations; conflict, movement and state formation; and people, society and nature). Danida needs current policy advice on topics, which include poverty reduction, good governance, sector planning and sector wide approaches, conflict prevention, debt reduction strategies, trade policy reform, and private sector development. What expectations can Danida reasonably hold in this regard in return for its core grant?

By the same token, CDR is both a research institute and a focal point for dissemination. Questions arise, though, about the balance between the two. How much precious research time should be sacrificed to writing Briefing Papers for policy-makers, putting material onto websites, or setting up workshops or public meetings? Similarly, how much previous dissemination time should be sacrificed to field or desk research, or to writing for academic audiences?

22. There is need for more investment in the knowledge sector in Denmark's country or sector programmes. ENRECA is an innovative programme, but is often not related to the

aforementioned programmes and, on its own, is not a sufficient response to the urgent need to strengthen the research and innovation systems in Denmark's partner countries.

23. Finally, and following from these points, knowledge management in Danida should be given a more coherent institutional priority, including the resources needed to drive change. Knowledge management would include capacity to access sources of knowledge in Denmark and abroad, to participate in cutting edge debates on development issues, and to initiate new research programmes.
24. The Commission would not want these comments to be read as implying that the research sector is failing: quite the reverse. The positive comments at the beginning of this section stand. Nevertheless, Denmark can do more to fulfil the high ambition it has set itself. In laying out principles and concrete recommendations, the Commission is clear that there are implications for all the actors involved: the Danish government, especially Danida; Danish researchers and research institutions; and developing country partners.

#### **4. Principles for a New Vision**

25. Six principles have guided the work of the Commission. They are:
  - i. Knowledge should continue to play an important part in Denmark's development policy; research should continue to play an important part in knowledge policy.
  - ii. Public funding of research and research institutions is justified and necessary, both in Denmark and in the South.
  - iii. The basis of funding needs to be a partnership, reflecting the principles of Denmark's development policy — realistic agreements concerning shared visions, joint objectives and reciprocal obligations (*Partnership 2000*, p.15).
  - iv. In that context, Danida has a responsibility to the research sector as a whole, and needs to take a holistic view of the impact of its decisions about centre, programme and project funding.
  - v. By the same token, researchers who receive funding have a responsibility to Danida, especially in terms of the agency's need for specific policy advice.
  - vi. Both Danida and the research sector in Denmark have responsibilities to include developing country counterparts as partners in programming.

#### **5. From Vision to Action**

26. The CMI Report and the other background papers contain many proposals for change, and various options for packages of change. In particular, the CMI Report identifies two options, one it describes as 'incremental' and one as 'radical'. The Commission has chosen to pick its way through these, and adopt elements of both. The specific proposals cover seven main areas:
  - i. Knowledge policy in a Danish context
  - ii. The role of RUF
  - iii. The future of Centre funding

- iv. ENRECA
- v. International research
- vi. Innovation systems in developing countries
- vii. Knowledge management in Danida

### ***Knowledge Policy in a Danish context***

27. The Danish Government as a whole needs to address the role of development research, building on the material provided to and by the Commission, and with the principal objective of bringing development research more firmly into the mainstream. To do this, it should prepare a short policy paper on knowledge, research and development, drawing on the expertise of Danida and other actors in the Danish research system (for example, the Ministry of Research and the Research Councils). A regular review of progress should be instituted. The Ministries of Research and Foreign Affairs might jointly report on how cooperation can be intensified. Danida should make its priorities visible and contribute to the overall priority setting of the Danish research councils.
28. Regarding the needs for development research, the Commission is reluctant to provide a list of prioritised themes. The CMI report as well as the three specialist reviews all contain discussions of such needs as well as gaps in the current coverage of Danish research. However, while recognising that such lists will not be exhaustive, and that new challenges to research continuously emerge, the Commission wants to point out that *Partnership 2000* identifies a number of areas which will be important for Danida's work in the coming years and which must be backed by research efforts. Among them may particularly be mentioned: poverty analysis (including social security issues); human rights (including gender issues) and democratisation; conflict management and prevention; globalisation; the role of international organisations; interaction between the public and private sectors (i.a. to generate employment and economic growth); agriculture and rural development; the interaction between rural and urban areas; and a host of environmental (including water) as well as health issues (including HIV/AIDS). In general, there are needs both to retain and strengthen country and regional knowledge as well as to give higher priority to inter- and multi-disciplinary efforts.

### ***The role of RUF***

29. The Council for Development Research (RUF) is currently only one part of the research funding system, providing a mechanism for peer review and approval of individual research projects, and initiating some (relatively small) programmes, for example on development economics and conflict. 15 per cent of total Danida funding for research is channelled through RUF. The secretariat is provided by Danida, though some bookkeeping is contracted out.
30. Various options exist: to leave things unchanged; to move RUF out of Danida and into the Ministry of Research; to give RUF a wider role, for example with some kind of overall advisory role; or to substitute RUF with a wider range of sector specific panels that could serve Danida more broadly with regard to quality assessment of research activities, including activities in the sector programmes. On balance, the Commission believes that to move RUF out of Danida is a bad idea: it would dilute the influence of Danida on development research, and weaken the links between Danida and the research community. Similarly, the Commission has some difficulty with the idea that RUF be

given a wider mandate, as Danida needs to consult a broader range of stakeholders than RUF in North and South both for policy and strategic advice as well as in relation to country and sector programmes.

### **Box 3**

#### **A Centre for Advanced Study in Development Research**

An effective way to enhance the quality of Danish development research would be the establishment of a Centre for Advanced Study in Development Research. A model is found at the Norwegian Academy of Arts and Sciences (Det norske Videnskapsakademi): this has had an important impact on research ambition and quality in Norway, and has created lasting professional networks.

The model is to invite outstanding foreign researchers to work with a small group of Danish (and developing country) colleagues and for between three months and a year, developing together a new research initiative and programme. Around such a person of proven competence a small group, of say 4-7 members, including post-docs and Danida staff on sabbatical or secondment, could be set up to work on a topic of common interest.

31. The Commission therefore recommends that the current mission of RUF be retained, although in a modified format. There is a need to think more strategically about support for the sector. For example, it might:

- Set up more programmes and long-term centre of excellence competitions, which underpin funding on a 5 — 10 year basis (some of these might evolve into new permanent centres, in new fields). Though financed through RUF such centres could be administered by Danmarks Grundforskningsfond, which is well versed in monitoring and evaluating the quality of such centres, independent of institutional interests.
- Consider adopting a Centre of Advanced Studies model, to foster excellence by means of sabbatical attachments (Box 3);
- Take responsibility for ensuring that dissemination and communication are given high priority by the research community, especially by funding policy-friendly dissemination (both in individual projects and programmes, and as separate activities) and by convening meetings and seminars — one option here is an annual conference, to highlight current research and policy concerns (Box 4); and
- Consider untying aid from Danish researchers, particularly by allowing developing country researchers to tender for grants — this might be restricted in the first instance to graduates of ENRECA, who have proved their competence over a period of time.
- Consider making provision for competitive grants to projects jointly presented by developing country/Danish partners.

### **Box 4**

#### **An Annual Conference on Development Research**

A concrete proposal for an initiative that could become an annual focal point and attention-grabber is The Annual Danish Development Research Conference, bringing together researchers, policy-makers, NGOs and the private sector, for a strategic and high-level debate. A conference of this kind would challenge researchers to be relevant to policy and to generalise from their findings. It would challenge policy-makers to demonstrate that policy was informed by research. To generate interest both groups must have something at stake, such as changes in priorities of funding, presentation of peer reviews, policy evaluations etc. Participation from the third world and possibly also other donor could be considered.

32. In order to strengthen its work, the membership of RUF should include adequate representation from a broader range of stakeholders, including users from the public and private sectors. Its secretariat may need reinforcement.
33. If these changes are made, the Commission believes that a modified RUF will have a case for an increased share of research funding.

### ***Centre Funding***

34. The four specialist centres currently account for 23 per cent of total funding. They have somewhat different problems, and are dealt with separately below. However, as a general principle, the Commission supports the idea of Danida funding specialist centres, provided that they are clearly distinguished from institutions elsewhere in the system. Normally, this will mean a strongly applied focus, with an agenda that is not entirely driven by Danida, but taking into account the needs and priorities of Danish development co-operation. By the same token, Danida will need to recognise the research integrity of the centres. This is a partnership which delivers benefits to both parties: to the institutions, some stability and predictability, as well as access to policy-makers; to Danida, a guaranteed volume of research and dissemination on core topics, and access to research advice.
35. The principles of partnership apply particularly strongly in these cases, and the Commission is attracted by the idea being implemented in other parts of the Danish research system, that funding to centres be governed by a performance contract. Performance contracts should be prepared in a spirit of partnership, allowing the research community to determine its own priorities, but with due regard to the needs of the user community, and with clear acknowledgement of the need to improve dissemination.

### **Box 5**

#### **Performance Contracts**

Danida might consider aligning management of the centres with national research policy in terms of greater emphasis on public oversight of activities funded from the public purse, including research goals and priorities at research institutions. The preferred means of achieving these functions involve *performance contracts*. The performance contracts oblige the centres to articulate goals, objectives and strategies over a 4-5-year planning period and to establish benchmarks and procedures for quality assurance of research. In return they will have stability in resource flows, levels of core funding and, in principle, greater autonomy in management of resources.

The performance contract format may involve stakeholder participation in setting research agendas and research priorities, e.g. by reserving parts of the annual budget grants for a particular negotiated projects portfolio or for longer-term programme funding.

36. In general, also, Centres should not be overly reliant on core grants from Danida, but should market-test their research capacity by competing for a share of grants, and by taking on more applied work. The exact share of total budgets to be provided as core is debatable and might also be allowed to vary between the Centres as their fixed expenses differ. It is suggested, however, that core grants on average might be fixed at around 40 - 60 per cent, towards the lower end for Centres with relatively little plant, and towards the higher end for Centres with expensive laboratories. However, this recommendation does not mean that Centres, which currently receive a higher share of core funding, should necessarily shrink. The Commission recommends that Centres should be



encouraged to grow by developing other sources of income so that the core share falls. Special funding may be required for important activities that are not focused on research.

***(a) Centre for Development Research***

37. Box 2 contained information on CDR, and more is to be found in the background papers. The role of CDR has been much debated in Denmark, partly because of conflicting expectations about the extent to which its research and dissemination should be of immediate relevance to Danida's needs. Strong positions have been taken. Some believe that CDR should be closed or merged with a university. Others believe that the problems lie more in the way CDR is used.
38. The Commission is impressed by much of the work of CDR, and by the emphasis it has recently given to streamlining its programmes and increasing its policy outreach. It would be counter-productive to interrupt these improvements by proposing closure or relocation, although it could be considered in a more long term perspective, whether closer collaboration with other, related research institutions, like DUPI or COPRI should be looked into. The importance of the field linkage is recognised, but the current emphasis on long-term field research that in other countries would be the preserve of universities, is surprising. The Commission is also struck by how much there is still to do on dissemination and policy outreach.
39. The Commission believes that CDR has a very important role as a research-based and policy-focused think-tank on international development in Copenhagen, and that this is its unique selling point. A think-tank role implies a strong commitment to applied and policy-relevant research, and a strong commitment also, perhaps stronger than at present, to dissemination and debate. It also implies continuing to build strong relationships both with related research institutions and university centres, where more theoretical and long-term field research might be expected to take place.
40. Danida can only benefit by making more use of CDR in such a role. It might wish to explore closer connections with CDR, perhaps through staff secondments. It should certainly explore ways of making more use of CDR expertise internally. Expectations need to be realistic, however, on both sides. The new performance contract between Danida and CDR recommended above should provide the opportunity to establish a framework for a new relationship, including around the core function of research, as well as other policy analysis and dissemination functions. If core funding is limited to about 40 per cent of the total budget, then CDR should grow around the core, to lower the figure from the present 65 per cent.
41. It could be considered appropriate not only to establish a staff secondment arrangement with Danida, but also to provide opportunities for temporary transfer of staff from universities, other public and private organisations. It might, furthermore, in the same vein, be useful to broaden CDR's Board structure. It deserves to be mentioned that CDR has a library, which is a major source to development research in Denmark, and should be brought to full use.

***(b) Danish Bilharziasis Laboratory***

42. The position and research work of DBL is that of a private institution which is linked to, aspires to keep the standards of, but does not belong to academia. It does good to very good research. In the Commission's view, closer ties with other Danish research groups,

particularly those within the university environment, are highly desirable. Although recently DBL's research focus has been moving from the control of specific tropical diseases to a wider public health orientation, this process of reorientation has not yet been completed. Closer co-operation with other Danish research groups will be beneficial in this respect. Internationally, DBL's work finds recognition in its position as a reference centre, and being more closely intertwined with other Danish groups will benefit its external network in developing countries and the Danish research world.

43. Sometimes, the point is raised whether DBL, because of its focus on particular tropical diseases, should not be (re)located in the environment where such diseases prevail. The Commission's view is that this would only be a consideration if and when it would imply a significant gain in building and retaining research capacity in developing countries, without a serious risk to the sustainability of the institute and to the quantity and quality of its research output and its linkages to global research. In the case of DBL and its work this is not at stake, as long as the institute maintain its standing as an international reference centre, contributes to the global body of knowledge in the fields it covers, and consolidates and where possible improves its contribution to research capacity in developing countries.
44. More generally, the present capacity in Danish health research for development provides a high quality output, but is highly stretched and to a considerable extent tied to long term ENRECA programmes. In view of the major role Danida wants to play in the global health research for development arena, it is recommended that capacity in the field is strengthened by setting up an International Institute on Health Research for Development (IIHD) at the University of Copenhagen, which would bring more focus, diminish fragmentation, stimulate synergies and interdisciplinarity, and enhance elasticity to link into emergency issues. Moreover, it is advisable that the very important long-term research endeavours of the ENRECA programme are crosscut by comparative research efforts on major themes, including the control and the development implications of the HIV/AIDS pandemic.
45. In due course DBL would be integrated in a new IIHD. The core funding which Danida now provides to DBL could subsequently become part of the core funding of the IIHD.

***(c) Danish Government Institute for Seed Pathology***

46. DGISP was established in 1967 by Danida and is now attached to the Royal Veterinary and Agricultural University as a specialised institute. The Commission regards this as positive and makes no further recommendations beyond the general recommendations made above regarding the Centres.

***(d) Danida Forest Seed Centre***

47. DFSC was established in 1981, to succeed the Danish FAO Forest Seed Centre, established in 1969. DFSC provides research and technical support to developing countries in the fields of procurement and handling of seed of tropical and subtropical tree species, basic tree improvement and conservation of forest gene resources. It cooperates closely with technical departments in Danida. While there may be arguments put forward in favour of transferring the centre to a developing country, the Commission notes that DFSC has received favourable reviews and refrains from recommending such a move, at least in the short run. However, the share of core funding provided by Danida should be reduced in consonance with the general argument made above.

## ***ENRECA***

48. ENRECA was the subject of a major evaluation in 2000. The evaluation strongly endorsed the principle of capacity building through twinning, but made many recommendations designed to improve resourcing, increase sustainability, and broaden the impact on innovation systems in developing countries. In particular, the evaluation recommended closer links between ENRECA and other initiatives, including the country-level sector programmes.
49. The Commission agrees. ENRECA activities should continue, and:
- (a) In most circumstances, be linked into projects within Danida's sector programmes in the partner countries, thus leveraging additional funding for the partner institutions; and
  - (b) Where necessary and appropriate, cover the full staff and other costs of Danish partners.

## ***International Research***

50. As seen in Table 1, Danida provides considerable support to international research, most significantly to the Consultative Group for International Agricultural Research (CGIAR), to various WHO programmes, and to a variety of international and regional bodies: some 41 per cent of total research funding is spent in this way, most of it as unrestricted core support.
51. An analysis of international funding has not been a major part of the Commission's work. However, two main issues arise. One concerns the balance between support to international research institutions (where much of the research takes place in the North) and regional and national research centres. It is the view of the Commission that closer contacts should be promoted between the two types of institutions, with clear tasks for international research institutions to enhance the capacity of regional and national institutions. Danida should also consider increasing the relative allocation to regional and national research centres. The other question concerns the relationship between Danida's support for international research and Danish research institutions, where the Commission also recommends that closer contacts be promoted. Regarding the CG centres, it would also be desirable to earmark some of the funds to promote particular Danish policy initiatives or to cover specific research needs identified by Danida. This could be done through competitive bidding for such funds.

## ***Innovation systems in developing countries***

52. The term 'innovation system' is preferable to 'research system', to recognise the wider perspective taken by the background paper on this subject. Whether wide or narrow, however, the point remains that research and innovation need to be given higher priority in and form a natural part of sector programmes, following the lead given by *Partnership 2000*, and following the principles of partnership laid down in that document. Researchers and others in partner countries need help with institution-building, capacity development, and the fostering of innovation systems more generally (legal frameworks, infrastructure

etc.). They also need help with international networking, for example through the new Global Development Network. Of particular importance is the fostering of access to international scientific journals for example through the provision of electronic connectivity and other sources of new knowledge. Research and innovation are unlikely to feature as independent sectors in country programmes, but should certainly be cross-cutting themes.

53. On this basis, the Commission recommends that knowledge, research and innovation should be recognised as key items in all country/sector programmes, and should be funded as such. Activities should combine available instruments as appropriate, independent of their current labels (ENRECA, RUF, etc.).

### ***Knowledge Management in Danida***

54. Finally, the recommendations of the Commission have implications for knowledge management in Danida. There are programmes to service. More important: there are links to build to mainstream research outside Danida; models to develop for capacity-building in partner countries, and support needs for sector programmes; decisions to take about the total size of research budgets, and their allocation between RUF, Centres, and other programmes; performance contracts to design, negotiate, monitor and revise; initiatives to take on dissemination; and international networks to build.
55. The Commission recommends that Danida make adequate organisational and staffing adjustments in order to facilitate knowledge management both in relation to external partners, i.a. fostering links and networks with the research community, in Denmark and abroad, as well as with the aim of promoting knowledge-related components in sector programmes; taking a view on the overall size and distribution of Danida's research programme; and preparing and monitoring performance contracts with supported centres.

## **6. Conclusion**

56. The proposed changes are largely incremental. However, implementation is by no means straightforward, and the changes implied by no means trivial. If effected, the Commission believes a more coherent, productive and collaborative structure will be put in place for Danida's management of development research, to the benefit of both Danida and the development research community.
57. That, however, is only a first step. The ultimate objective, the ultimate prize, is the reduction in world poverty to which Denmark is committed. The Commission has no doubt that international efforts to reduce poverty will increasingly be knowledge-led and knowledge-intensive. The Commission is equally certain that Denmark will be at the forefront of those efforts, as it is now, exploiting the skills and capacities of its people, strengthening its institutions, and building new research partnerships in the developing world.