



## **Agricultural research: some reforms, but a lack of overall vision**

### **Analysis of the management of the government funded agricultural research**

#### **Key facts**

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Agricultural research has periodically been the object of political debate, be it to limit or increase the resources allocated to it. Agroscope, made up of three research institutes and managed by the Federal Office for Agriculture (FOAG), has undergone several reforms since the end of the 1990s. The Agricultural Research Council was set up in 1996 in order to advise the FOAG. Other public research institutions are also active in the area, such as the Swiss Federal Institutes of Technology, universities and universities of applied sciences.

The Swiss Federal Audit Office (SFAO) has analysed the quality of the management of the agricultural research financed by the Swiss Confederation. It wanted to find out whether the FOAG and the Agricultural Research Council had the information necessary to ensure efficient strategic and operational management of the research financed by the Confederation.

#### **Improved management of Agroscope**

The FOAG has taken various steps and done significant work to improve the organisation and management of Agroscope. This has resulted in greater consistency regarding the definition of its strategy. The reforms initiated since the end of the 1990s are now in a phase of consolidation, with the various federal research stations having been brought together and transformed under the name Agroscope. The FOAG has worked hard to develop a strategy for its institutes, and has introduced new instruments in order to manage them: management by performance mandate and global budget (MPMGB); adoption of a research concept; prioritisation; creation of the Agricultural Research Council as an advisory body. The FOAG has also adopted a consistent information system, which is useful for managing Agroscope. The information system includes the reports required by the MPMGB process, Agroscope client satisfaction surveys, peer reviews and evaluations, and the audits carried out by the FOAG's Internal Audit. The FOAG therefore has a tool that gives it useful information on the achievement of the objectives set as well as on the quality of the research activities carried out. It tries to take account of the results and follow up on the recommendations. The FOAG also has information that enables it to prioritize and define the key areas of research. In this regard, it favours pretty much the maintenance of existing expertise, and hence consensual management in that there is little abandonment of areas of research.

#### **Partial overview of Swiss agricultural research and its financing**

That said, it is far more difficult, however, to have a full overview of the agricultural research financed by the public sector once you go beyond the research of the FOAG and Agroscope. The FOAG is interested primarily in managing the resources for which it is legally responsible. No other body has developed a strategic reflection function for Swiss agricultural research. This situation makes it impossible to have a full overview of the public funds allocated to agricultural research. Without a strategic vision for all of the research financed by the Confederation, it is difficult to know the strengths and weaknesses; it is not easy to identify where Swiss research is competitive on a European level, or the principal areas of the future which should be developed or strengthened. Consequently, there is a danger of suboptimal resource allocation. Based on the current organisation model, this role could be assigned to the Agricultural Research Council. However, this

Council is designed essentially as a support and advisory body for the FOAG. It has not sought greater independence from the FOAG, and primarily responds to the FOAG's requests and proposals.

### **Difficult positioning of Agroscope in the research landscape**

Because of the lack of a strategic vision for research as a whole, Agroscope is in a difficult position in the Swiss research landscape. There is a theoretical distinction between fundamental research, delegated to the Swiss Federal Institutes of Technology and universities, and applied research, to which Agroscope is supposed to be dedicated. But this separation is unrealistic in practice because, on the one hand, agricultural research is traditionally practice-oriented, and on the other, the Swiss Federal Institutes of Technology and universities are also active in the applied research sector. For example, the National Centre of Competence in Research Plant Survival managed by the University of Neuchâtel and financed by the Swiss National Science Foundation pursues objectives that are very similar to those of Agroscope even though it is oriented towards players in the field of academic research. The Swiss National Science Foundation's programmes are approved by the Federal Council on the recommendation of the Federal Department of Home Affairs. Consequently, they do not come under the FOAG's area of authority. More generally, Agroscope is caught between the requirements of academic research and the new directions of the universities of applied sciences. Moreover, the indicators devised in keeping with the philosophy of the MPMGB model, which favour commercial services, are not comparable with the indicators developed in the world of academic research in order to enhance the quality of the research carried out. They have not made it possible to create incentives to encourage Agroscope to obtain research funding from Swiss or European institutional financing bodies. The aim of such indicators is to boost the competitiveness of Agroscope, and ultimately the quality of its research activities.

### **Persistent weaknesses at institutional level**

These various factors do not facilitate the strategic management of agricultural research, or even the management of Agroscope for that matter. The suggestions of the working group on the strategic development of the agricultural knowledge system discussed in 2008 (increased cooperation or integration) were rejected, or at least did not receive political support. The questions raised remain topical, however, and ultimately the results of the various reports point to the same difficulties at the institutional level: player fragmentation; poor visibility; excessively complex system; diverse sources of financing. At the same time, the results show that Agroscope's research activities need to respond more to its clients' requirements and also be more competitive within Europe.

### **Room for improvement and recommendations**

In order to improve matters, the SFAO considers it important to develop a full overview of agricultural research. The role of the Agricultural Research Council must be strengthened, and the Council needs to create a concept for all research. Furthermore, it is necessary to establish a reliable picture of all of the public funds allocated to agricultural research. The Agricultural Research Council could use this as a basis to set out financial recommendations.

Regarding the management of Agroscope, the indicators for assessing the quality of the research need to be more in line with the academic research criteria, and a strategy must be devised to encourage Agroscope to obtain more third-party funding, particularly from research financing

bodies such as the Swiss National Science Foundation, the Commission for Technology and Innovation, and the EU framework programmes. The SFAO has six recommendations for the Federal Department of Economic Affairs, the Agricultural Research Council and the Federal Office for Agriculture.

The results and recommendations were discussed with the FOAG and the Agricultural Research Council. The FOAG was asked to present a joint statement regarding each of the six recommendations, taking into consideration the various points of view of the parties concerned. Both FOAG and Agricultural Research Council agree with the recommendations on the whole, and they have committed to implementing most of them by the end of 2012. It was pointed out, however, that the FOAG can vouch only for those parties within its sphere of influence. The SFAO will follow up on the implementation of recommendations with interest, as they are aimed at providing a wider awareness of Swiss agricultural research and increased transparency as to the allocation of funds. The statement can be found in annex 4 of the report.

**Original text in French**