



Meeting of CGIAR Centers and Funders on the CGIAR System
Rome, Italy.
May 2-4, 2016

**Compiled comments on the preliminary draft of the CGIAR System Framework Document, dated
March 9, 2016**

The following entities provided written comments on a preliminary draft of the CGIAR System Framework Document circulated to CGIAR Centers, Funders and others on March 9, 2016 (included as an annex): Australia, CGIAR Centers, Consortium Office, EIARD, FAO, GFAR, IAU, IEA, ISPC, Japan, USAID and the World Bank.

The Bill & Melinda Gates Foundation (BMGF) provided written comments on a later version of the document shared with the “big picture” working group.

These comments have been compiled in this document. Section 1 includes all written comments received on the preliminary draft of the CGIAR System Framework. Section 2 includes the comments identified by paragraph or in track changes of attached documents. Section 3 includes the written comments from BMGF. In addition, the comments have been posted at: <http://www.cgiar.org/cgiar-transition/preliminaryfd/>.

The comments were taken into account in the preparation of the Proposed CGIAR System Charter, dated April 8, 2016.

Section 1: Written comments received on the preliminary draft of the CGIAR System Framework Document (in order received and hyperlinked to online version)

IEA:

Thank you for providing us an opportunity to comment on the draft framework. We have carefully reviewed the document, and have provided edits and changes related to the function and role of IEA and the role of the SC and SIEC relative to evaluation. These changes reflect the following:

- IEA is an independent unit, which serves an oversight function for the System. This distinction is important to include as it satisfies the compliance component obligation for SC to oversee programs and resources. (edits made to reflect this are made in 1f, 3.2, 10.2t, and 14.1)
- The System Council has a responsibility to consider and endorse evaluation recommendations and follow up actions, and to ensure regular evaluation schedule and proper coverage of the System. Again, this relates to the compliance stated above. Though the revision of the evaluations may be done through the Strategic Impact and Evaluation Committee (SIEC) which will facilitate this requirement, the actual endorsement and approval of the final evaluation outputs remains at the SC level. (edits made to reflect this are made in 7.2 r-s)
- The IEA Head reports directly to the System Council, though IEA will operate mainly through the Strategic Impact and Evaluation Committee (edits made to reflect this are made in 9.1c and 14.2)
- The IEA mandate is clearly defined in Article 14, we have included edits to further clarify IEA role as per its mandate. This includes developing and revising Evaluation Policy, defining evaluation standards and guidelines for evaluations, as well as supporting the development of criteria and indicators for science quality, relevance and performance (as included in the Centers Standing Committee and ISPC). Edits made to reflect this are made in 14.1.b-c

[In-text comments in Section 2.]

ISPC:

Thanks for sharing the draft of the Framework document.

We have had a chance to review it within the ISPC and our collective comments are included (against my name) in the attachment.

I realise that not all of the points we agreed can be included in the FD, but I do think that in some places the intention could be made clearer by reverting to the wording we laboured over in the Science Working Group. Shortening some of the phrases (for understandable reasons) has led to inconsistencies and less clarity in roles and responsibilities.

The comments are meant to be constructive, to help the group as a whole move on to the next stage.

[In-text comments in Section 2.]

IAU:

“It is good to see that the framework document is taking shape, along with other legal documents.

I could suggest fine-tuning of some paragraphs, or detail the inconsistencies between the framework agreement and matrices, but I would rather focus on the big picture: the System Council, in the draft, is not fully equipped to obtain assurance on the implementation of its decisions, including applicable agreements, policies and guidelines.

First, a clarification on the fact that, whether the System IAU is hosted by the System Office or another entity should not have an impact on its position and role: the System Council does not need an Internal Audit Unit to merely audit the System Office, but rather to provide it with an independent and objective assurance over the effectiveness of the CGIAR's governance, risk management and internal control. In that respect, the System Council needs to have a possibility to request audits and investigations without limitation of scope or of access to information and people. And IAU ought to be an active observer at System Council meetings (under 4.2 c.).

Second, the final framework agreement is intended to remain applicable "as is" for a substantial period of time. Therefore, I am not sure that the framework agreement needs to provide so many procedural details on "do's and don'ts" regarding system-level entities such as IAU or IEA: For instance, suffice to say in a broad statement that IAU exists as a system-level entity, primarily to support the System Council and the overall internal auditing function of the CGIAR, and that it has a Charter, approved by the System Council, which complies with IIA Standards and recommendations. A draft Charter could be discussed at the May meeting. Finally, if that high-level, principle-based approach was not taken, then I would particularly recommend that the [brackets] be removed from paragraph 15 of the draft."

Consortium Office:

[In-text comments in Section 2.]

USAID:

[In-text comments in Section 2.]

EIARD:

General remark: There is still some confusion in terminology/content between CGIAR System, bodies and 'System Organisation. We also observed some duplication between the definitions and Article 2 (structure), Article 3 (governance & organization), (and 7.1. and 11.1, and 12.1). We suggest adding a figure representing the structure.

Who will evaluate the Executive Director of the System Office/the Chair of the ISPC/the Head of the IEA/the Head of the IAU? These are very important and influential positions and evaluation should be pre-determined. We believe that this evaluation should be based on agreed objectives at the start and that it should take place on a yearly basis.

Will be there ethical guidelines on the recruitment of staff in system entities (System Office, ISPC, IEA) or other cases to avoid any conflict of interest? For example, members of the ISPC should not be able to serve as member of any Center Board.

We would like to emphasise what EIARD already stated last February in Washington, "We expect to get a system in place where the CGIAR System Organization will have full fiduciary responsibility when it enters into contracts with contributors". We don't see any progress in this direction nor any concrete mention to the fiduciary responsibility in the framework document. It is difficult to accept a document where the main focus can be read as channelling financial resources to the CGIAR system, with a system accepting little accountability for it.

Article 4 Composition of the System Council (p.5)

4.2 The following shall be active observers to the System Council (SC):

b. One representative from the host country of the System Office

We would like to have more clarity of this point, when it was inserted, what was the rationale and background? It is not covered by the decisions taken in Bogor. What is the justification for the host country getting an active observer seat?

Article 5 Appointment of System Council voting members and alternates (p6)

System Council members and their alternates are registered by name. That may not be practical as it is difficult to foresee that the same person would be really be able to occupy the seat for a full three year term. It is the country, organization, institution or constituency which receives a seat in the System Council and not a specific individual. It is desirable that the same person can serve for a full term but there should be a greater level of flexibility to ensure a functional Council.

Article 6 System Council Chair and Vice Chair (p6)

EIARD would like to express its surprise and concern that the draft document proposes to change back to an elected chair. That isn't what was agreed in Bogor, and as far as we are aware it hasn't been discussed in any of the various discussions we have had since then. Regardless of the merits of the proposal, this is a major change to what was agreed. We don't think this is a good idea. The World Bank has been a solid and reliable Chair and we should continue with the current model.

In addition, who would identify and nominate an external independent Vice- Chair?

Article 7 Functions of the System Council (p7)

Strategy and Results Framework (SRF): We understand that the current endorsed SRF is valid until 2030 and hope that we will run with it, instead of starting another round soon, as the document implies here and there.

7.2 The System Council shall exercise all powers required ..., including, ...:

o. agree with the Centers Standing Committee (CSC) on areas on areas on which the System Organization will develop system-wide policies, procedures and guidelines and research standards and approve such policies, procedures, guidelines and standards

together with

12.1 The Centers Standing Committee shall have the following responsibilities:

...

e. agree with the System Council on the areas in which the System Organization would develop system-wide policies, procedures and guidelines and research standards and review such policies, procedures, guidelines and standards as they are developed by the System Office, prior to submission to the System Council for approval.

EIARD has concerns with these points. The CSC is as per Art. 3.2. an advisory body to the System Organization and not another governance body but a forum to align the views of the centers when they extend their views to the System Council (SC) through their two representatives with observer status. The SC will receive the views of the centers submitted through their representatives but it is the SC that takes the final decisions.

Article 8 System Council Operations (p. 8-10) Decision-making during a meeting

8.5 is not very clear. We would prefer a clear, predefined decision making mechanism for the case that consensus cannot be reached, which is made transparent from the beginning and in which all implications of the double weighted majority approach are understood.

Article 10 System Office (p.10-12)

10.2 Within its responsibilities for managing the day-to-day operations of the System Organization, the System Office shall undertake the following functions:

...

d. support Centers Standing Committee,

This may raise wrong expectations. Rather, the Centers Standing Committee is established to support the centers.

i. develop, in consultation with the ISPC and the CSC, the performance management system for CGIAR research programs, including common reporting formats and periodicity of reporting

It needs to be clear that the System Office is in the lead and they do not have to ask for approval from the ISPC or the CSC before submitting to the SC.

u. develop, in consultation with CSC, proposals for clear guidelines and criteria for prioritization and allocation of funds across CGIAR research programs, based on strategy, priorities and performance

Same as above (i), consultation is fine but the lead is with the System Office and it takes the final decision what to propose to the SC.

There are many other points under 10.2, all to be done in consultation with the CSC. It is clear that the System Office relies on the information from centers but we also want to see a robust and strong System Office that takes up initiatives. As it is formulated now, it rather looks like a pure executing administration of the SC. As written, large parts of its functions are carried out in consultation with the CSC which further weakens its role. Instead, the System Office should be the face of the CGIAR which is controlled by the SC and which ensures that important decisions are implemented by the programs and centers.

Executive Director (p.12)

The role of the Executive Director (ED) described here is much weaker than in the TORs of the ongoing ED search. What about the role of the ED as far as CGIAR System leadership and communication is concerned?

Article 11 Partnership Forum (p.12)

Meetings

11.3 *The Partnership Forum shall be convened every three years ...*

A more detailed description of the partnership forum should be added and how it distinguishes from GCARD (conference and a process). This looks more like a refreshed CGIAR Annual Meeting, which will take place every three years. In principle, we should cut down the number of meetings to the minimum.

Article 12 Centers Standing Committee (p.13-14)

12.1 *The Centers Standing Committee shall have the following responsibilities:*

“responsibilities” should be replaced by “function/role”

- a. *serve as a forum to ensure regular and effective operational coordination and consultation among Centers, and keep under review the collective organizational soundness of the Centers*

In our view, this captures the rationale why the CSC is being established.

Many points under 12.1 expand beyond this convening role. We have not agreed to a CSC as an additional system entity with oversight and governance functions and the CSC should not take over functions which are supposed to be taken up by the System Office. In this regard, 12.1 e needs to be reviewed. The SC will decide on system-wide policies, procedures and guidelines and research standards taking into account the views of the CSC.

g. *review annual system-level programmatic and financial report on CRP and other activities, prior to its submission to the System Council*

replace "review" with "contribute", delete last part ("..., prior to its submission to the System Council")

h. *review annual portfolio analysis of the CGIAR research programs, prior to its submission to the System Council*

replace "review" with "contribute", delete last part ("..., prior to its submission to the System Council")

k. *review proposals on such services and platforms as they are developed by the System Office, prior to submission to the SC for approval*

so be discussed what that actually means

m. review recommendations to be submitted by the System Office to the System Council

again, what does that actually mean?.

In summary, the responsibilities of the System Office, System Council and CSC need to be carefully thought through. The two areas where we had concerns and which should be clarified further was the use of the word “review”: *The CSC will review the rules of procedure for the system council and recommendations presented by the SO to the FC.* What does that actually mean? What if they review them and then propose changes? Does the SO change its recommendations based on the CSC review? This is not clear. The System Council approves the rules but what does it do with the recommendations coming from the CSC? In that respect, we need to take note that the centres are represented on the System Council.

The second issue was that the CSC “agree” with the SC the scope of system wide policies to be developed and employed by the SO. What does that mean in reality? We take note that both parties (the SC and CSC) have a legitimate role in defining the scope of system wide policies. We might need a section that sets out how that will happen, which makes clear what we will do if we don’t actually agree and who has the last say.

The CSC is not supposed to have the oversight on the System Office and on what the System Office submits to the SC! It also contradicts Article 2, 2.6 (p.4) "The System Organization, Centers and Funders benefits from the advice of the Center Standing Committee, the IAU, the IEA, and the ISPC". The functions described under 12 is beyond advice.

Article 13 ISPC (p.14)

EIARD has flagged this issue in several positions during previous Fund Council Meetings: what happened to the P in the term ISPC? We fully support the view to ensure good science quality. However, if we want to deliver on the SRF we need more downstream partnerships in addition to research partnerships. This is a view also supported by the centers. Maybe the ISPC is not the right body to deal with it but then we need another arrangement looking after development partnerships and tracking of development indicators as agreed in the SRF. It is not clear who is tracking the delivery of development outcomes and impact. Why is the Standing Panel on Impact Assessment (SPIA) and its role not mentioned?

Nothing is mentioned about the hosting arrangements, similar to Article 14.3 of IEA.

Article 14 ~~Internal~~ Independent Evaluation Arrangement (IEA), p.15

Articles 13 , 14 and 15: who decides on the budgets for the ISPC, the IEA and the IAU?

Article 18 Amendment

18.2 Who will judge whether the amendment is “immaterial” or “inconsequential”?

Centers:

Joint Centers' Concerns on the Framework Document

- a. Centers' prepared a joint Center mark-up version to the Framework Document distributed for comments by the TT (dated March 9th, the "FD").
- b. This document should be read in conjunction with such mark-up version of the FD, as it provides an overview of the joint Centers' Concerns to the FD in the design of the new CGIAR System.
- c. This document was put together by Barbara, Margaret, Jimmy, Martin, Matthew, Andres and Selim, and benefited from the inputs of all Centers' Board Chairs and DGs.

Introduction

A thorough read of the FD, which proposes the new architecture, governance and operational processes, show that areas for improvement in the proposed new System.

From the Center's perspective, the FD is not sufficiently loyal to, or strictly reflective of, the Guiding Principles that were agreed in DC earlier this year and should be made to do so.

Conceptually, the Centers' concerns may be summarized as follows:

1. The Framework Document will replace the Constitution of the Consortium of International Agricultural Research Centers.

The Framework Agreement is meant to create a new international institution, the CGIAR System Organization by substantially amending (substituting) the Constitution of the Consortium. This fundamentally changes the balance of relationship between the Centers which are the core of the CGIAR and those who provide the funding for the CGIAR. The Consortium was a Joint Venture for the collective representation of the Centers *vis a vis* the Funders. The System Organization, as such, is not a natural successor to the Consortium as it fundamentally changes the relationship between Funders and Centers. Rather than having its "own" institution to represent its interests, the Centers are now being relegated to "advisors" to the System Organization (*see Article 3.2.*). This fundamental difference must be explicitly acknowledged and the role of the Centers be defined as ***contracting partners with the System Organization***.

In legal terms, the goodwill carried by the brand "CGIAR Consortium" (name and reputation as the collective of Centers) is taken over by the System Organization (collective of funders and the System Office as their executor).

From a strictly legal perspective it is hard to understand the nature of the FD. It's not clear if this is an agreement between the Donors or between the Donors and the Centers, or if it's an agreement at all.

Proposed Solutions:

- Notwithstanding the legal issue, a pragmatic approach to avoid confusion is to rename the document as the "CGIAR System Charter", replacing all references to the FD in further correspondence and documents as appropriate.
- Centers need to ensure that their voice is heard. It was said that the Centers, as executors of the core business of the system, must have enough influence on major decisions made in the SC. Centers have to find ways on how (e.g., by a required agreement on major decisions). Some concrete suggestions are provided in the marked-up version of the FD.
- In the definition, the CGIAR Centers is the collective of the centers. The CGIAR System involves the rest.

2. Achieving Balance in the relationship between Mature International Institutions

The CGIAR System is defined as the Centers, Funders, System Organization and the advisory bodies (Centers Standing Committee, representing all centers, ISPC, IEA) and the CGIAR research programs (CRP's and other activities). The System's objective is "to foster a conducive international environment for agricultural research for development" (see *Introduction 2*). The FD must explicitly address how Centers contribute to this objective by providing the core products for the system at large (research and training), engaging 10,000 employees and partners. In its current form, the FD ignores that the Centers act in the interest of the overriding goals of the CGIAR (expressed in the SRF as independent legal entities with their own governance and Boards which are responsible for strategy, policies and oversight at Center level).

Relationships with the System Organization must therefore be negotiated among equal legal partners and terms ruling out that conditions be dictated by one side. As a collective, Centers see the benefits of shared services and common policies where those increase efficiency and effectiveness of collective action.

The proposed System Organization, a new legal entity, represents the interests of the Funders. Its counterparts, the 15 Centers, would have no voice in the System Organization. The proposed tri-annual Partnership Forum is the only opportunity where all Centers would meet with the System Funders. The Centers consider this provision far too restrictive to enable a much needed dialogue between the two parties on priorities, strategies, general and special Center situations. This design does not address one of the major shortcomings of the previous system: the disconnect between Funders and the work they are funding. This exchange cannot be achieved by the intermediary Centers Standing Committee (CSC) without sufficient weight in the System Council. This has been observed last year in Washington where Funders and DG's met and exchanged information.

CSC is an advisory body to the System Organization and has two observer seats in the decision making body (System Council). 15 Centers with 10,000 employees doing the work are represented by two observers in a forum where the ISPC and IEA are represented by one seat each for themselves.

A representation of at least 4 observers, covering the different research areas seems essential. Also, the operational capacity and resources allocated for the CSC will be crucial for the effective and efficient representation of the Centers. These resources have not yet been discussed beyond a potential support from the System Office to the CSC (see *Article 10.2 d*) which would potentially create a conflict of interest for the System Office as it is also responsible to "service the System Council" and "oversee the implementation of the System Council decisions". Currently the only two areas where Centers agreement is envisaged (via CSC):

- (1) agree the areas on which the System Office will develop and the System Council will adopt system-wide policies, procedures and guidelines and research standards (see *Article 12.1 e*) and;
- (2) agree on the areas in which shared services and platforms are to be developed by the System Office and approved by the System Council.)

This is not a balanced setup and not following the Guiding Principles. Other areas where we need agreement are:

For a balanced and functioning partnership between Funders and Centers, Centers (through the CSC) would take part in the deliberations of the System Council (and other advisory bodies, as appropriate), in setting research priorities in conformity with the SRF; in defining common policies for all Centers, ensuring that these do not conflict with Center policies. These deliberations would set the stage for negotiated agreements / common understandings between Funders and Centers that reflect common interests, increase predictability of medium term funding and reduce transaction costs which tend to increase in top-down relationships that are not necessarily anchored in the scientific and institutional realities of conducting research.

Conclusion: Centers at this point seek to optimize the advantages of the new proposed system, while decreasing the prospects of disadvantages.

Proposed Solutions:

1. Amend Article 8 so no meeting of the System Council can be held without the presence of the Centers Standing Committee representatives. As currently drafted, Article 8 allows for System Council meetings to be organized, held, and make decisions without the Centers even being informed, or the CSC reps being in attendance. We propose an amendment to Article 8 requiring the presence of CSC representatives for a quorum to be reached for a System Council meeting.
2. The Principle of Subsidiarity. The policies and procedures in force as of June 30, 2016, should be taken as a baseline. For any decision of the System Council after that time, the principle of subsidiarity applies to any amendment of policy, guidelines, operational procedures or tasks.
3. Non-CRP activities. The FD (Charter), agreements and policies & procedures of the System need to be very clear in their handling of the CRP and non-CRP domains of work. Within the CRP, accountabilities flow through the System Office for use of CGIAR Fund monies, there is accountability to the donor for W3 and aligned bilateral funds. There is an obligation for detailed programmatic and financial reporting and CRP audits. Beyond this point it must be clear that the System has an expectation to be able to report to donors on non-CRP activities but has no right to oversee, monitor, or audit such activities. This principle needs to be written into all of the relevant documentation and we have made suggestions in the various documents.
4. Strengthening the Centers Standing Committee. We have suggested that the CSC is a Committee of the Centers and not the SC, ED is an active observer, secretariat provided by the Centers, the CSC has the right to in camera sessions, no minutes go to the SC or SO - all to strengthen the independence of the CSC.
5. Size and Function of the System Office. In light of declining funding for research activities, the functions of the System Office need to be curtailed to overseeing the CRP domain, and in not engaging in "scope creep" of functions and roles. The size of the System Office should be limited. The costs of a System Office are not directly scalable with the size of the CRPs - there will be a threshold cost and then only a small variable cost that fluctuates with the size of the CRP funding envelope. Consequences of this (a) no payment due on non-CRP activities given there is no role for the SO other than collating high level reports on summary information (b) charge CRPs a fixed cost, not a percentage tax, to pay for the operations of the SO. This principle should be built in up front so that Centers do not have a financial over-reach presented to them after July 1st. There is not much (if at all) marginal cost to monitor a \$100M CRP vs a \$400M CRP.

3. A new System with costly legal obligations for Centers without financial commitment from donors.

While the Centers are not expecting to receive 100% (or not more than 30-40%) of their funding through the System, it is unclear to what extent “the System Organization ” will fund the programs of the Centers. The former distinction that divided funders between those who channeled their funds through trust funds with multilateral institutions, and those who provided their resources directly to Centers, no longer exists. Assuming that this tradition continues in one form or the other, it is not obvious that the System Organization can speak to the Centers on behalf of all Funders. In addition the intention as stated in the current version of the FD, which provides that the System Organization sets the rules, regulations and policies for all Centers, raises questions as to the legitimacy of such actions which are the purview and responsibility of each Center Board. It seems highly questionable that the System Organization can exercise such powers while denying any responsibility and accountability for Center performance, including financial stability. It is equally questionable whether Centers could sign agreements where their obligations are fixed by the other party, but such other party expresses only intent but not commitment to deliver its part. The current version of the Financing Agreement foresees this option.

The FD expects the Centers to conduct all their business according to System rules (policies, guidelines, principles). As system-wide policies and procedures will be adopted by the System Council (*see Article 7.f*), these will be implemented by the Centers as compliance requirements. Currently, these compliance requirements are not linked with the funding provided by the System. Therefore, Centers will have to manage their entire business in accordance with the rules which are financed by overhead of only a portion of their funding. Additionally, dual reporting and compliance requirements will most likely be needed when Center activities are financed via bilateral funding with different terms than those of the System.

Centers prefer linking policy adoption and implementation with funding sources. Centers suggest that system-level policies apply to CRPs and platforms, but not to bilateral funding, which come with their own terms, conditions and compliance requirements (i.e., for bilateral funding mapped to the CRPs, deliverables could be reported, but there should be no oversight by the system units as these oversight roles are arranged between donor and centers).

Proposed solutions:

- (1) see comments on subsidiarity above
- (2) oversight, monitoring and any notion of "policing" must be restricted to the CRP domain unless there is evidence of major malfeasance that affects the integrity and reputation of the entire system. Such evidence will emerge from audits and externally commissioned Center reviews.
- (3) limit the SO costs as above

4. An all-powerful System Office.

The System Office is burdened with extensive functions (*see Article 10.2 a - y (full alphabet)*) which will require substantial resources. The agreement was to have an office with a “light touch”. These functions include to “oversee” the implementation of the System Council decisions (*see Article 10.2.b*), which necessarily places a policing role on the System Office. Uncertainty on how these functions will be fulfilled has the potential to create an all-powerful and uncontrolled System Office, which in turn is inconsistent with Guiding Principles.

Centers considered a balanced mechanism whereby the functions of the System Office are accurately framed and limited in accordance with the Guiding Principles. This mechanism should keep the System Office from overreaching in line with the principle of subsidiarity and the central term is facilitation (*see Guiding Principle 12*).

Proposed Solutions

- (1) see comments on subsidiarity above
- (2) SO role be restricted to the CRP domain.
- (3) limit the SO costs as above

5. Lack of clear and agreed upon process.

The Framework Document is designed as a grouping of functions of various System components. It doesn't provide a clear operational process. Effective functioning and transparency of the System can be achieved by a simple and limited nomenclature of decision to be adopted by each system component and the process for the implementation of these decisions. Clear procedures will enable implementers to understand the obligation imposed upon them and the delivery mechanisms.

Centers consider to identify a number of mechanisms such as Regulation, Decision, Recommendation, etc. with clear explanation on their legal value. This will bring clarity and hierarchy to the governance decisions. There must also be a clear documentation center where all these governance decisions will be curated and made publicly available for transparency.¹

Proposed Solutions

- 1. see above regarding Article 8 and a requirement for CSC presence at SC meetings
- 2. see above re subsidiarity

6. Inaccurate translation of Finance Working Group and Science Working Group matrices into the Framework Document.

The content of the matrices created by the Science Working and the Finance Working Group may not have been properly incorporated into the FD. FWG members are currently evaluating the Finance Agreements.

GFAR:

The principles of the CGIAR reform laid out in 2009 were that the system would become open, inclusive and accountable and that it would provide a transparent and collective basis for system governance, with shareholders and stakeholders both involved.

Seven years on - and the issues that first led to the reform have still not been resolved. The proposed System Framework Document essentially shifts the governance back to where we were in 2000. The 2009 reform created at least some direct voice of stakeholders in the management of the Fund and a direct feedback mechanism in the form of the GCARD. However, with the latest proposals, this inclusion has disappeared.

Obviously, the funders and the Centers are the actors most directly involved here. However, the system now proposed has become one of shareholders, not of stakeholders, a fundamental shift from the values envisioned by Norman Borlaug and colleagues, which still provide a clear basis for system reform:

“This understanding of the power of partnerships drove the redesign of the CGIAR that commenced in 2001. The changes were many and far-reaching. The Executive Council was restructured to enable shareholders and stakeholders to join together in energizing the decision-making processes.” CGIAR Annual Report, 2006

The intended ‘beneficiaries’ of the system, and external Partners in the system’s work, now have no formal recognition in the decision making processes. Their representative bodies (intergovernmental bodies in the case of FAO and IFAD, multiple stakeholders in GFAR) are all reduced to active observers – a status that could itself be eliminated in an instant by vote of the system’s shareholders.

Where are we really going?

The CGIAR does great work and is a valued partner to national systems. Nonetheless, there is a disturbing focus here on investment in the Centers, rather than the development outcomes of their work, that may now come to be the prevailing paradigm. The draft framework sets out a long list of roles and responsibilities that still leave many grey areas in specific actual accountabilities, even including two different purposes of the system as cited in section 2 and Article 2.2.2. The System needs to become explicit and consistent about the role it – and each of its elements - is really aiming to play - and it needs to have the buy-in of both its parties and of its partners to deliver that. The relationship between the System, Council, System Office and the Centers Standing Committee seems vague in several key areas. Where do the real responsibilities and accountabilities lie between these bodies?

Partners inside and outside the CGIAR System may now question whether this whole structure and its associated new management costs really do add value and encourage inter-Center collaboration, beyond what the Centers and funders would resolve individually between themselves if the Centers were made responsible for generating their own resources to deliver programmes? It would seem that Centers and funders are in any case trending towards direct bilateral funding relationships.

The CGIAR System Council

In our view, the functions of the proposed System Council remain compromised by the funding reality and do not address some of the key structural challenges still facing the system. The System Council will “approve clear guidelines and criteria for prioritization and annual allocation of funds across CGIAR research programs”, yet in reality the CGIAR core Fund accounts for perhaps 20-30% of total funds used. The remainder are obtained bilaterally and directly by the Centers, for which responsibility vests with independent Center Boards. Nothing in the draft framework suggests that the System Council will have any legal authority and responsibility or real oversight of those funds. Where now is the integrated SRF vision of the CGIAR, including all Centers’ actions, and the results and collective accountability framework for development impact?

The desire for a system-wide resource mobilization plan has not been borne out by the last decade of efforts to do so; even funders who were originally the most committed are themselves moving away from Window 1. Meanwhile the Centers that continued to strongly pursue their own bilateral resourcing have stayed strong, while those that grew with system funding are now struggling to adapt to a rapid reduction. Nothing offered here brings any greater cohesion between funding agencies, or within funding agencies themselves, to link resources allocated centrally to the CGIAR system with those negotiated direct with Centers.

No real basis is offered either by which forward budgeting can become more realistic. From the outset of the Fund, projected budgets have been endorsed by the Fund Council, yet the subsequent funding reality has not lived up to those aims. The late-2015 projections put forward by the Centers were around 50% above the funders’ projections of likely resources available. How can there be so big a gap in comprehension? Many good staff lost their jobs in the recent cycle of boom and bust. How will these proposed structures actually prevent that happening again in a system that depends on returns from research over many years, or even decades?

Relationship to external partners

How can the System Office by itself be expected to “coordinate multi-stakeholder processes for the development of the SRF and guide proposal development” without an effective mechanism to do so? Does the system only intend to seek advice from inside itself? GFAR works very effectively with the Consortium, Centers, ISPC/IEA and CRPs to enable true multi-stakeholder discussion and input across a very wide range of strategic issues (e.g. foresight, prioritization, development of strategies and programs, and sharing of knowledge), so far at zero cost to the CGIAR. The CGIAR has clearly stated that it is a Partner in the Global Forum, sharing in the delivery of GFAR’s mission. We expect specific reference in 2.6 or 3.2 to GFAR as a unique, objective mechanism through which the System Organization, Centers and Funders benefit from the advice of Partners.

This draft offers no basis for resourcing of associated actions among the CGIAR’s partners: what happened to that expectation of the 2008 reform? How is the system, through the introspective structures proposed, going to ensure it helps delivers national agenda, adds best value to national innovation systems and helps bridge the missing middle to impact?

The “Partnership” Forum proposed in Article 11 has been conceptualized without any consultation with Partners themselves. Why? No rationale or need is put forward and we see no advantage whatsoever in such a forum over the open and inclusive GCARD process of dialogues and consultation. The GCARD process is co-managed, as a true, equal and very constructive partnership between the CGIAR and GFAR – one which must be recognized in the framework. The GCARD process provides real dialogue with Partners, and greater value for money, than the CGIAR AGM shareholder gathering which the draft attempts to resuscitate. There is nothing preventing the formal role set out for the Partnership Forum that replace the Funders Forum being included in the GCARD process and event.

GCARD3 has for the first time enabled wide strategic country dialogues between the CGIAR system and national partners of all forms, has brought the CGIAR into regional dialogues around the future of agriculture and its innovation needs and through the jointly formulated Conference event provides direct interaction between the CRPs and stakeholders to integrate actions and resources effectively for impact. Centers have clearly stated the value of these dialogues, and how they are helping to develop real strategic coherence between the proposed CRPs and national agricultural research and innovation systems and agenda. The many Partners in GFAR will be very concerned about the proposed shift to dialogue driven solely from the internal perspective of the CGIAR – which Partners will interpret as patronage, rather than real partnership.

FAO:

Thank you very much for sharing the draft System framework document and for the opportunity to provide FAO’s comments.

Below are FAO’s suggestions for some key articles that may need further thought through and improvement in the draft System framework document (hereunder referred to as “the Document”):

1. The Document needs to highlight the strong linkage with the SDGs.
Proposed change: “2. The purpose of the CGIAR System is to foster a conducive international environment for agricultural research for development and increase CGIAR System relevance and effectiveness within the institutional architecture for international development ~~including~~ **with a particular focus on** the Sustainable Development Goals.”
2. The Document makes reference to the term “**active observers**”. What’s the difference between the conventional ‘observer’ status in use in other similar governance and this new term? The term ‘active observers’ therefore needs to be explicitly defined in the ‘Definitions’ section (page 2-4).
3. The Centers Standing Committee (CSC) is defined (page 2) as a ‘forum to ensure regular and effective operational coordination...’. FAO is of the opinion that the CSC should be defined as a “**coordination body**” instead with clear accountability to ensure regular and effective operation of the Centers; and between Centers and the System Organization. We believe the CSC should be coordinating Center’s actions in support of SC decisions and SO operations.
Proposed change: “b. “Centers Standing Committee” means a committee of the Centers that will serve as a ~~forum~~ **coordination body** to ensure regular and effective operational coordination **between Centers**, and as a channel for Center’s input into policies and processes of the System Organization.”
4. On the “CGIAR Trust Fund” definition, does it include in-kind contributions to the System?

5. The Document make mostly reference to CGIAR research programs only but doesn't make reference to other initiatives/programs (i.e. Platforms like for Genebank and Genetic Gain that will be soon submitted as part of the CRP second call). As stated now, the Genebank Platform proposal for example may not be eligible for funding in the proposed governance model. It is required to make reference in this document to **'CGIAR research programs and other initiatives'**.
6. The 'System Office' definition seems incoherent (page 3). As stated, the SO is expected to support the System Organization, which also includes the System Office as set in Article 3.

If the 'System' definition already includes the Centers then the 'System Office' definition as written in the Document could stay as is.

7. On the structure of the CGIAR System (page 4, 2.2), we believe important to also highlight the role of the System partners contribution. We would therefore recommend to rephrase the last sentence as follow:
Proposed change: 'The Centers **and CGIAR System partners** deliver innovative research outcomes within CGIAR Strategy and Results Frameworks based on resources provided by the Funders.'
 also for 2.4: 'The Funders provide financial resources to finance CGIAR research programs **and related initiatives**.'
 Similar changes are also required along the same lines in the full document.

8. **As stated, the document classifies FAO as an 'active observer'. As a founding member of the CGIAR, and in view of his role in the research to development continuum, FAO does not understand the rationale behind such proposal and therefore request its inclusion as a full voting member. FAO cannot approve the proposed CGIAR system framework as actually worded.**

9. How are 'significant national agricultural systems' defined?

Item 4.2 is listed twice in the document. Please correct numbering.

10. Item 6.1: The process for identifying the vice-chair needs to be better described.
11. Item 7.2.e: The SC is now empowered to approve the CGIAR SRF while this role was originally in the hands of the Funders Forum now called Partnership Forum. FAO is of the opinion that such important Document needs to be approved by the Partnership Forum as a whole; and not only by the SC. We suggest that the SC could have a role to pre-approve the SRF but then the final approval of the SRF should still be in the hands of the Partnership Forum.
12. Item 7.3: The delegation of authority by the SC to committees should be carefully worded. We have some difficulties to envision a committee of for example 10 representatives taking complex decision at the System level on behalf of the SC. We would prefer that the committee recommendations are presented to the SC with a request for endorsement set to 2-weeks as it's the practice today for FC decisions by email.
13. In the Article 8, it is suggested to explicitly state that CRP proposals should be submitted for SC consideration at least one month before SC meetings as it is the case today in the actual governance framework. We are of the opinion that CRP proposals require more time for consideration by each SC

member due to their complexity, budget requirements etc.

14. On Items 8.5.a and 8.5.b, we believe the ¾ majority is the preferred option. We therefore suggest removing the 2/3 majority option in both cases in the Document.
15. On item 8.6, we suggest that SC decisions are made publicly available on the CGIAR Web site no more than 30-45 days from the meeting closure. A similar rule exists already in the actual governance framework.
16. On item 9.1, it is suggested to clearly indicate how these committees will be composed. It is also suggested to add a Genetic Resources/IA/IP Policy committee as a permanent committee (similar to the existing FCIP but also covering the Genetic Resources component).
17. On item 9.1.a, we suggest to rename the Audit committee to the Governance and Audit Committee.
18. On item 9.2, the issue of managing the intellectual assets and availability of genetic resources for developing countries are crucially important and should deserve a permanent IP group. This is also in-line with our previous comments. A Genetic Resources Policy Committee should be considered as a standing committee in a form or another (e.g. together with IA/IP).
19. On item 10.2.d, we are requesting additional clarifications of this role. We envision the CSC as a coordination body between Centers and providing essential support to the SC and advisory bodies. Such relation needs to be better articulated and roles and responsibilities well defined.
20. In Article 10, the role of the Executive Director (ED) as the spoke-person/main representative for the System Organization needs to be clarified/strengthened. As presented, it seems that the Document describes the ED more as an office manager than a truly CGIAR spoke-person. Overall the Document doesn't provide sufficient clarification on who is speaking now on behalf of the System. We also believe inappropriate for the SC Chair to be the CGIAR spokesperson.
21. In Article 11, we believe the Partnership Forum should have the authority to approve the SRF and not only be a platform to 'discuss and exchange views' on the SRF. As it stands the Partnership Forum is of little use to the System as a Forum without serious decision-making role. As presented, such formulation of the Partnership Forum appears to us as duplicating the role of GCARD. This requires clarification.
22. In Article 12 on the CSC, again we believe the role of such committee should be empowered to plan a coordination role and ensure that Centers are acting together in a coordinated manner and in support of the System Organization. As phrased ("forum") we believe this is sending the wrong message and is weakening dangerously the role Centers are expected to play in the new envisioned framework.
23. In item 13.1.e, we believe the ISPC should have a more prominent role on science partnership.

24. In item 13.3, we suggest to highlight the need for the ISPC independence.

Proposed change: ‘The membership of the ISPC and the roles and responsibilities of the ISPC secretariat and its hosting arrangements shall be approved by the System Council with the aim to ensure its independence.’

A similar change is required in 14.3

25. In Article 15, there is need to clarify who is approving the IEA evaluation reports. Ideally, it should be the SC who approves, while the Partnership Forum should receive a report either from the SC or the IEA on the decisions and implementations of all the evaluations in the three year period.

26. In Article 16 about the Trustee, it is suggested to explicitly indicate that the SC has the authority on deciding which organization should be performing this function.

Finally, the rules and mechanisms to allocate funds, and the relationship of the CGIAR Trust Fund with the other components of the System aren't being discussed in this Document. There is no description about who are eligible to receive the funds and whether the funds will be allocated through the three "Windows". There are some mentioning in the Annex of Guiding Principles about funding issues, while this important issue deserves a stand-alone chapter in this document, or some clarification in the Guiding Principles.

We will limit our comments to these main points at this stage, and look forward to the discussions at the May meeting in Rome. Meanwhile, we would highly appreciate being informed on how our comments are being taken into consideration in the next version of the System Framework Document that will be tabled for discussion at the Transition Meeting in Rome.

Thank you again for accommodating our comments.

Australia:

Introductory comments

The preliminary draft CGIAR System Framework document is well structured, clearly presented, mostly at an appropriate level of detail, and appears consistent with the Guiding Principles for the CGIAR System. The finance and science working group matrices are useful companion documents and helpfully elaborate the functionality and interrelationships of the various entities. Comments herein relate to the draft framework document, rather than the additional matrices. Three key points are made, together with a series of more specific comments on the Articles.

Key points

1. An essential matter requiring further clarification and elaboration is the scope of the CGIAR System. “CGIAR research programs” as defined (d p.3) are ‘*the research programs and other activities carried out by the Centres and CGIAR System Partners in support of CGIAR Strategy and Results Frameworks*’. Article 7.2j (p.7) gives responsibility to the System Council to approve these, implying that the System Council approves ‘other activities carried out by the Centres...’. However, confusingly, Article 10.2 (p10-11) refers interchangeably to “CGIAR research programs” (e.g. 10.2.k) and “CGIAR research programs and other activities” (e.g. 10.2.j, 10.2.l). The question of scope (research programs only or research programs and other activities) is fundamental to conceptualisation of the new system governance and management arrangements and a shared understanding must be achieved.
2. In order to maintain momentum, it is desirable that previous decisions are respected. The draft Framework overlooks several important decisions. For example, at FC13 it was agreed:
 - a. that “[t]he World Bank ... name a senior manager in a substantive area related to the activities of the CGIAR system to serve as Chair of the CGIAR System Council, recognizing that the World Bank’s engagement in this role will serve as an essential link to the global architecture for agriculture research and investments for development”. Article 6.1 of the draft Framework document, however, states that the Chair will be elected by System Council members.
 - b. that FAO, IFAD, World Bank, ISPC, IEA, the Trustee, and GFAR be invited to name active observers to participate in the Council. No representative from the host country of the System Office was envisaged but one is now proposed (Article 4.2.b).
 - c. that the CGIAR System Organization will contract with the World Bank for the provision of fiduciary services. The draft Framework is silent on this aspect.
3. The draft Framework document reflects the recent emphasis of Fund Council decisions towards a more funder-driven system. Without proposing that these decisions be revisited, the downside risks of apparently diminished recognition of and role for key system beneficiaries and stakeholders in system governance and functions warrant deeper consideration. The system risks being seen to be, and even becoming, excessively ‘internally’ focussed.

Specific comments on Articles

- Introduction
 - Paragraph 2 defines the purpose of the CGIAR System narrowly. The paragraph might usefully be expanded, and a subsequent paragraph inserted to define the purpose of the CGIAR System Framework Document.
- Definitions
 - d. - the definition of “CGIAR research programs” encompasses not only the research programs but ‘other activities carried out by the Centres and CGIAR System Partners in support of the CGIAR Strategy and Results Framework’. This broader definition is supported, but if accepted has very significant implications and ramifications
 - g. – while recognising this is not an exclusive list, consideration should be given to including ‘funders’ as named partners.

- i. – the Independent Evaluation Arrangement was originally deliberately named as an ‘arrangement’ rather than a ‘unit’. The proposed definition would appear to adopt a different approach, perhaps in acknowledgement that the IEA now has many of the essential characteristics of a unit.
- Article 4 Composition of the System Council
 - Inevitable pressures to expand the membership of the System Council should be resisted. The proposal to introduce one representative from the host country of the System Office (4.2.b) is not supported. The necessity for a Vice Chair (4.1.b.ii) needs close scrutiny.
 - The article is silent on eligibility for Funders to be voting members (4.1.a.i). Subsequent drafts will no doubt provide further elaboration.
 - The Article uses the terms ‘members’ (4.1), ‘representatives’ (4.2), and ‘participants’ (4.4). If there are distinctions they should be described. It could be inferred that ‘participants’ describes the totality of the Council composition, whereas ‘members’ are the voting component and ‘representatives’ are the active observers.
- Article 5 Appointment of System Council voting members and alternates
 - Where a voting member is in a constituency and from either government or an organisation, it is unclear from 5.2, as worded, who they represent - their government, organisation or constituency.
- Article 6 System Council Chair and Vice-Chair
 - The 13th Fund Council meeting, April 28-30, Bogor, decided that ‘the World Bank ... name a senior manager in a substantive area related to the activities of the CGIAR system to serve as Chair of the CGIAR System Council, recognizing that the World Bank’s engagement in this role will serve as an essential link to the global architecture for agriculture research and investments for development’. The proposal for System Council members to elect a Chair and Vice-Chair (6.1) is inconsistent with this decision.
 - This article introduces a Vice-Chair (6.1), the functions of, and necessity for, are unclear. It is not sufficient to leave this to the terms of reference as proposed in 6.3.
- Article 7 Functions of the System Council
 - The description of the System Council in 7.1 is not identical to the earlier definition (m, p.3), it is largely redundant.
 - The term ‘promote’ (7.2.a) is vague as it is used to describe in relation to the System Council’s role in relation to the System Organisation’s mission and activities
 - In many instances (e.g. 7.2.d, j, k, l, n, q, r, t, u, v, x), the functions of the System Council are to ‘approve’, but in a number of instances (e.g. 7.2.e, f), the System Council also ‘oversees the development of’ various policies, procedures and guidelines. The inconsistency may be seen to imply that the System Council does not oversee the development of the former tasks.
 - One function (7.2.j) of the System Council is to approve CGIAR research programs which, as defined, means ‘*the research programs and other activities carried out by the Centers and CGIAR System Partners in support of CGIAR Strategy and Results Frameworks*’. This implies that the System Council approves bilateral activity where that activity supports the SRF. The implications warrant further discussion and examination. Subsequent functions (7.2.k, m etc) are also relevant in this respect.
- Article 10 System Office

- The function of the System Office to ‘support Centers Standing Committee’ (10.2.d) is too vague. Does this extend to financial support?
- 10.2.f introduces, for the first time, ‘research program leaders’; a category of persons not elsewhere described or defined.
- Consideration should be given to including IEA in 10.2.i.
- In some instances, such as monitoring and reporting (e.g. 10.2.j, l), functions encompass ‘CGIAR research programs and other activities’, whereas portfolio analysis (10.2.k) is only on the CGIAR research programs (noting of course that the definition of CGIAR research programs includes ‘other activities’).
- In some instances, consultation is with Centres (e.g. 10.2.j, o) whereas in others it is with the Centres Standing Committee (e.g. 10.2.j n, q, u) and in one instance (10.2.v) it is with Lead Centres. This may or may not be intentional.
- Functions in relation to financial controls (10.2.w) are too passive, and entirely dependent on the provision of information by the Centres.
- It was agreed at FC13 in Bogor that ‘[T]he Executive Director will be expected to play an important advocacy role for the CGIAR system’. This could be given greater emphasis as it only appears obliquely under 10.2.m.
- Article 12 Centres Standing Committee
 - The Centres Standing Committee is to ‘agree’ on certain things (e.g. 12.1.e, k). Consideration should be given to how this might operate in practice, and the practical ramifications in the event that agreement not be reached.
 - The Centres Standing Committee self-manages (12.1.p) but is supported by the System Office (10.2.d). It would be desirable to more clearly delineate responsibilities.
 - The draft Framework document is silent on how the Centres Standing Committee is resourced, noting that like the IEA and ISPC it is considered to be an advisory body and unit to the System Organisation (3.2.a).
- Article 13 Independent Science and Partnership Council
 - It is not clear how the ISPC Chair can report ‘directly to the System Council through the Strategic Impact and Evaluation Committee’ (13.2). Either the position reports directly, or it reports through.
- Article 14 Independent (not Internal) Evaluation Arrangement
 - 14.1 introduces for the first time, ‘research managers’; a category of persons not elsewhere described or defined.
 - The IEA could usefully perform a function with respect to coordinating the evaluation activities within and across Centres (partially covered under 14.1.f), and sharing of lessons learned.
 - It is not clear how the head of the IEA can report ‘directly to the System Council through the Strategic Impact and Evaluation Committee’ (14.2). Either the position reports directly, or it reports through.
- Article 15 Internal Audit Unit
 - It is not clear how the head of the IAU can report ‘directly to the System Council through the Audit Committee’ (15.2). Either the position reports directly, or it reports through.

Japan:

(Article 5)

We support the comment from EIARD on Article 5 (Appointment of System Council voting members and alternates).

It seems more suitable that System Council members and their alternates are not registered by specific individual.

(Article 8 and 18)

We support the comments from EIARD on Article 8 (System Council Operations).

The paragraph 8.5 does not clearly indicate at what point we would conclude that consensus cannot be reached so that a call for a vote can be proposed. In addition, there should be an option for reserving a position when members need some time for further consideration. In short, a rule on when to call for a vote and an option to reserve a position need to be included.

(Documentation rules)

As we mentioned in our comment dated on 6 January 2016, we think setting a rule on documentation is important as indicated below.

- For our effective and efficient preparation for the meeting, it would be desirable to include specific documentation rules. Considering similar examples of other international organizations, conference agenda/documents need to be prepared and circulated in specific timing (e.g. 3 weeks in advance of the meeting).
- Prior documentation rules are particularly important for internal coordination and representation among the members of constituency groups. In this sense, it would be desirable to consider clarifying procedural rules for internal coordination/representation among constituency members (e.g. the coordination rules are up to each constituency group?).

(Addition of the description of important elements in ANNEX)

6. Governance practices across the CGIAR System should engender mutual respect and trust in the value of collaboration. The Centers are recognized as having the experience and capability to ensure effective conduct, delivery and impact of the CGIAR System's research for development when working in close partnership with external (both national, regional and global) research and development partners, including the private sector. The CGIAR System's effectiveness depends on strong, dynamic, well managed and well-resourced Centers that can attract and retain the best global talent, conduct impactful research, convene and direct collaborative programs with leading institutions around the world, build upon accumulated "local" knowledge to design programs of research that work in the globally decentralized CGIAR System, and widely share their research results through internet, and at conferences and the field level. Centers and Funders should have adequate voice and influence in the governance of the System Organization.

(We think the dissemination of CGAIR research achievement and participation to (international) occasions is an important measure to enhance the presence of the CGAIR system.)

7. **Effectiveness, efficiency, transparency, and impact should be key performance criteria for the CGIAR System.** All CGIAR System entities should meet high standards of efficiency, effectiveness, transparency, and value for money. Impacts on the ground should be demonstrable and measurable. With a view to greater local coherence and alignment with national systems, the CGIAR System should strive for greater integration of its activities through joint planning and partnerships as well as through food value chain approach. Policies and procedures to plan, implement, and oversee the CGIAR System should be clear, unambiguous, functional, cost effective, and flexible in order to respond to changing circumstances. Policies and administrative structures should strive for simplicity in promoting the effective and efficient delivery of critical functions while avoiding overlaps and redundancies.

(We think food value chain approach is one of the important elements to promote collaboration with other partners including private sectors.)

World Bank:

Thank you for sending the Framework Document and the related agreements for review. I would like to start by congratulating the Transition Team on the remarkable progress building consensus and advancing with a solid foundation for a legal and institutional basis for the CGIAR System.

Following up on the earlier informal communication, on behalf of the World Bank, we would offer the following suggestions which we hope will help further strengthen the emerging legal and governance arrangements.

Comments on the Framework Document:

The following points (1-3) are anchored in Guiding Principle 13 which states: “A robust performance monitoring system needs to be in place, which includes consolidated reporting at the system-level.”

1) Article 7 – Functions of the System Council

At the moment this section does not have a clear, separately identifiable statement on the System Council’s responsibilities as related to financial reporting (periodic and annual) and independent auditing thereupon. As this is a key obligation of any board (which in essence the Systems Council is), it needs to have the corresponding profile. Sub-clause (x) is helpful but does not go far enough in that direction. Specifically, we recommend that the following aspects be more fully addressed:

- Review and approval of a CGIAR System-wide format for, and periodicity of, financial reporting that accords with internationally recognized financial reporting standards;
- Approval of selection of a CGIAR System independent external auditor; and
- Review and approval of consolidated, and audited, CGIAR System annual audited consolidated financial statements.

2) Article 10 – Systems Office Functions

As a corollary to the above, while the requirement to design the reporting format and periodicity is included as sub-clause 10 (i), the other two items are not. Accordingly, we recommend that the following also be included:

- Preparation of the terms of reference and a short-list for the selection, by the Systems Council, of the CGIAR System independent external auditor; and
- Preparation, for the purposed of audit, of the CGIAR System consolidated annual financial statements.

3) Article 15- Internal Audit Unit

- The System Organization is defined in the Framework as the System Council and the System Office. As such 15.1 (a) and (b) appear to have a problematic construct in that they restrict the Internal Audit function to just the System Council and the System Office. Given that the System Council does not have an executive function, and that the System Office is essentially a support service, this is likely to be an inadvertent drafting error. In actuality we recommend that 15.1 (a) convey that the IAU is responsible for ensuring that **all** the entities in the CGIAR System have effective internal audit arrangements in place. Similarly, we recommend that 15.1 (b) be about preparing a consolidated annual plan for the internal audit of **all** the entities in the CGIAR System.
- 15.1 (c), (d) and (i) are included in parenthesis. As the requirements are industry standard and part of the regular functions of an internal audit functional area, it would be useful to understand why the text is still bracketed.

4) Definition of the Term for the Chair

- We recommend definition of the term for the Chair of CGIAR System Organization be limited to 4 rather than 3 years to promote greater continuity.

Comments on the Outline of Agreement between the CGIAR System Organization and the Funders:

1) Management and oversight of funding by the System Organization:

- There is no provision with regard to the allocation and channeling of system costs for the advisory bodies and units to the System Organizations (i.e. the Centers Standing Committee, IEA and ISPC), which we suggest including.

2) Undertakings of the System Organization:

- There is currently no undertaking to the Funders to ensure that the contributions will be used for intended purposes, and which we recommend including.

3) Change of circumstances:

- With respect to the remedy available to a Funder, the last sentence of the Outline reads that “all remaining funds [...] will be returned to the CGIAR Trust Fund.” But is it meant to say “all remaining funds [...] will be returned to the Funder”, because the remaining funds should have been held in the CGIAR Trust Fund in any case? Or is the provision only trying to address any claw back of funds from Centers, as the Outline of Financial Framework Agreement provides for the ability of

the System Organization to require refund from a Center of misused funds to the CGIAR Trust Fund?

- What do “all remaining funds” include? Do they include the remaining balance of the Funder’s share of contributions (however that may be calculated) only? Or do they also include any refund from the Center of misused funds, which may also be returned to the CGIAR Trust Fund post-termination? We recommend that a Funder be able to receive both the remaining balance of its share of contributions and any refund of misused funds from the Center.

4) Reporting Responsibilities of the System Organization:

- In relation to the first point in this section to “Maintain adequate records to enable expenditure of the funding to be confirmed,” we note that the records need to cover all transactions and not just expenditures of the fund. We would also note that since the research centers are responsible for maintaining their own records, the systems organization only maintains systems office records. More appropriately therefore this statement can be rephrased along the lines of: “maintain and cause to be maintained books, records, documents and other evidence in accordance with the CGIAR System Financial Rules and Regulations.”
- We recommend further specifying the point on financial statements preparation, along the following lines:
 - “Prepare, in consultation with Centers, and provide to Funder, an annual system-level programmatic report on CGIAR research actions and other activities, building on information provided by the lead Centers and other Centers.
 - Prepare, and cause to be audited, by independent external auditors, consolidated annual financial statements.”

5) Undertakings of the System Organization:

- We suggest deleting the fourth bullet point “To maintain a repository of information provided by the Centers on the Center’s financial systems and controls that are in place to ensure proper use of funding,” since the term “repository of information” may be unclear and the substance is already covered by the preceding point.

Comments on the Outline of Financial Framework Agreement between the CGIAR System Organization and Centers:

- We note that there is no reporting obligation of the Centers to provide relevant information and inputs necessary for the annual system-level programmatic and financial reports and independent evaluations, and which we recommend considering.
- On the section on “Program Oversight and Assurance” (paragraph 3) we recommend making a clarification on the following point: “to allow for effective oversight, the Recipient shall (i) maintain books, records, documents and other evidence in accordance with its respective usual accounting procedures, and any additional financial cross-cutting and system-wide policies, procedures and guidelines, to sufficiently substantiate, in a manner reasonably satisfactory to the System Council, financial data relating to the CGIAR research actions.” Those should be in accordance with CGIAR System Financial Rules & Regulations which will be applicable to all Centers, through which the research actions will be undertaken.

- On Annex 2a, we note the following: “All the Centers will need to be in compliance with the CGIAR System Financial Regulations & Rules.” The only specific issue that should need to be covered in this clause is that collaborating centers (i) provide the Lead Center with the information it needs to prepare the program reports on a timely basis; and (ii) agree to open their books and records to any audits/evaluations instituted by the System Organization or Lead Center.
- On Annex 2b, we note that as above, the Lead Center will need to be in compliance with the CGIAR System Financial Regulations & Rules. So the only additional clauses needed are: (i) a requirement to prepare program financial statements; and (ii) a right to request audits/evaluations across the program.

Comments (i) on the Outline of Agreement between the CGIAR System Organization and the Funders and (ii) on the Outline of Financial Framework Agreement between the CGIAR System Organization and Centers:

- Overall, we recommend ensuring that requirements in relation to accounting, financial reporting, monitoring and evaluation and auditing are consistently addressed in all these documents. In particular, presumably in trying to keep things simple, these legal agreements pick up on some of the monitoring & oversight arrangements included in the CGIAR System Framework Document but not all and this could have unintended consequences.

Thank you for taking these comments into consideration as the documents are finalized. We would be happy to provide any clarifications if needed.

Section 2: Comments identified by paragraph or in track changes (in order received)

Title

- The title of this document doesn't reflect the legal and operational value of it. Is this an Agreement? If so, between whom? Is this a Constitution? If so who are the members/constituencies of the entity? (Centers)
- Change title and any references to "CGIAR System Framework Document" to: "CGIAR System Charter" (Centers)

Table of Contents

- The table of contents doesn't reflect the value and importance of each component of the System. A better designed ToC should provide the legal structure of the System to the viewer at one glance. Different System components must be regrouped under Parts (Part 1, Part 2 etc.) and the roles, rights and responsibilities of each System component must be laid down in a systematic way consistently with the one provided for the System Council. (Centers)

Introduction

- The reasonable expectation is that external stakeholders will use the Framework Document as the source of information on the legal capacity of the System Organization. Notwithstanding the importance of capturing somewhere a short history of why the Framework Document is now the governing instrument, the suggestion is that this section be restated to identify up front what the status of the document is. Whilst the international treaty does have some of the new suggested text within its terms, it will not be typical for stakeholders to look to the treaty to find the legal status of the CGIAR System Organization. This does not exclude also including the material in paragraph 1 of the 9 March draft in another place of the document (or, perhaps, back to the preamble of the Guiding Principles?). The existing paragraph 2 of the 9 March draft would be retained, but moved to paragraph 3 on this proposal suggested redraft of existing paragraph 1, and new additional paragraph 2 is:
 - "The CGIAR System Organization is an independent International Organization with full international legal personality as may be necessary for the exercise of its functions and powers, and the fulfilment of its purposes, including without prejudice to the generality of the foregoing, the legal capacity:
 - (a) to enter into Treaties, agreements and contracts;
 - (b) to acquire and dispose of movable and immovable property; and
 - (c) to institute and respond to legal proceedings.

The objective of the System Organization shall be to provide leadership to the CGIAR System and coordinate the activities among Centers under CGIAR Strategy and Results Frameworks in order to achieve the vision of the CGIAR System." (Consortium Office)

- This paragraph doesn't reflect the history of the CGIAR in general and of the CGIAR Consortium in particular. Centers consider to highlight the historical evolution of the CGIAR in order to provide an accurate foundation to the new System. It is especially important to recognize the history of the Consortium of International Agricultural Research Centers (i.e. CGIAR Consortium) which was established by the Centers². (Centers)

- Between the first and second paragraph suggested addition of two paragraphs:
 - “2. The CGIAR System is the world’s leading partnership on research for development of sustainable agri-food systems in developing countries.
 - 3. The vision of the CGIAR System is a world free of poverty, hunger and environmental degradation.” (Centers)

Paragraph 1

- Suggested redraft: “The Consultative Group on International Agricultural Research was established as a global partnership in 1971. After several reforms, in December 2009, a new framework of overarching principles was agreed between the centers and the funders to give rise to a reformed CGIAR as set forth in the CGIAR Joint Declaration. On 29 April 2010~~In 2011~~, the CGIAR Consortium was established as a joint venture between the 15 International Agricultural Research Centers supported by the Consultative Group on International Agricultural Research. In 20 June 2012 the CGIAR Consortium obtained an international organization status pursuant to the agreement establishing the Consortium of International Agricultural Centers as an international organization (“International Organization Agreement”), and operated in accordance with the rules set forth in its constitution. In 2016, the Centers and Funders agreed to establish the CGIAR System Organization and to replace that constitution with this CGIAR System ~~Charter Framework Document~~, and henceforth for the CGIAR System to operate in accordance with this CGIAR System ~~Framework Document~~ Charter agreed between the Funders and Centers.” (Centers)

Paragraph 2

- We note that the purpose is described differently (and perhaps better) in Article 2.2. We suggest deleting this paragraph. If it is to be retained, we suggest these edits:
 - “The purpose of the CGIAR System is to produce international public goods ~~foster a conducive international environment for~~ through agricultural research for development and increase CGIAR System relevance and effectiveness within the institutional architecture for international development including the relevant Sustainable Development Goals.” (USAID)
- Suggested redraft: “~~The purpose of the CGIAR System is to foster a conducive international environment for agricultural research for development and increase CGIAR System relevance and effectiveness within the institutional architecture for international development including the Sustainable Development Goals.~~ The purpose of the CGIAR System is to establish a strong partnership between Funders and Centers to advance agri-food science and innovation for enabling poor people, including poor women, to increase agricultural productivity and resilience, share in economic growth, feed themselves and their families better, and conserve natural resources in the face of climate change and other threats. The Centers deliver innovative research outcomes within CGIAR Strategy and Results Frameworks based on resources provided by the Funders, within the institutional architecture for international development including the Sustainable Development Goals.” (Centers)
- The Document needs to highlight the strong linkage with the SDGs. Proposed change:
 - “2. The purpose of the CGIAR System is to foster a conducive international environment for agricultural research for development and increase CGIAR System relevance and effectiveness within the institutional architecture for international development including with a particular focus on the Sustainable Development Goals.” (FAO)
- Paragraph 2 defines the purpose of the CGIAR System narrowly. The paragraph might usefully be expanded, and a subsequent paragraph inserted to define the purpose of the CGIAR System Framework Document. (Australia)

Definitions

- The Document makes reference to the term “active observers”. What’s the difference between the conventional ‘observer’ status in use in other similar governance and this new term? The term ‘active observers’ therefore needs to be explicitly defined in the ‘Definitions’ section (page 2-4). (FAO)

Definition a.

- Suggested redraft: “The System Organization may adopt ~~consider~~ criteria and procedures for making ~~agreeing upon~~ changes to the list of recognized CGIAR Research Centers.” (USAID)
- The role of the Centers should be recognized as bringing the scientific and operational research & development capacity to the System for the implementation of the SRF. Furthermore, definitions shouldn’t contain language providing functions to any System component. (i.e. the last sentence must be removed). (Centers)
- Suggested redraft: “Centers” means those independent research organizations that are recognized as CGIAR Research Centers contributing knowledge, technical expertise, and resources. . . The System Council, jointly with the Centers Standing Committee ~~Organization~~ may consider criteria and procedures for agreeing upon changes to the list of recognized CGIAR Research Centers.” (Centers)

Definition b.

- Suggest that Centers give additional reflection to the name in the context that a Standing Committee is generally understood to be ‘a permanent committee appointed to deal with a specified subject’. Appreciating that the Centers wish to have a representative group that is neither (a) appointed by the System Council, nor (b) limited to dealing with a specific subject, perhaps there is another way to reflect the convening and consultative nature of this group? (Consortium Office)
- Addition: “Centers Standing Committee” or “CSC” means a committee of representatives of the Centers...” (Centers)
- The Centers Standing Committee (CSC) is defined (page 2) as a ‘forum to ensure regular and effective operational coordination...’. FAO is of the opinion that the CSC should be defined as a “**coordination body**” instead with clear accountability to ensure regular and effective operation of the Centers; and between Centers and the System Organization. We believe the CSC should be coordinating Center’s actions in support of SC decisions and SO operations. Proposed change:
 - “b. “Centers Standing Committee” means a committee of the Centers that will serve as a ~~forum~~ coordination body to ensure regular and effective operational coordination between Centers, and as a channel for Center’s input into policies and processes of the System Organization.’ (FAO)

Definition c.

- Recommend to amend this to: (a) reflect that the System Organization definition is the System Council and the System Office. Budgets for the ISPC, IEA and IAU will also need to be included; and (b) reflect the aspiration of the Transition Team (which is supported by the Consortium Board and Office) that there are many more opportunities to provide funding to the system than through “CGIAR research programs”. Suggested redraft is:
 - “CGIAR Trust Fund” means the trust fund(s) established for contributions from Funders to provide funding for the activities of the System Organization and its expert and technical advisory bodies, and for CGIAR research actions. (Consortium Office)
- The definition should be broadened to also include funding for the advisory bodies (i.e. ISPC, IEA, CSC). (Centers)

- Suggested redraft: “CGIAR Trust Fund” means the trust fund(s) established by the Funders for their contributions ~~from Funders~~ to provide funding for the activities of the System Organization and for the CGIAR Research ~~research~~ programs.
- On the “CGIAR Trust Fund” definition, does it include in-kind contributions to the System? (FAO)

Definition d.

- It is noted that even with the use of lower-case “research programs” in this definition, CRPs have become a “term-of-art” across the system. It may therefore be hard for the term “CGIAR research programs” to meet the aspiration that the Framework Document can be a forward-looking document that keeps flexibility in of f to the types of research actions that can be funded over time for the benefit of the system as a whole. Suggested redraft is:
 - “CGIAR research actions” means the research and other activities carried out by the Centers and CGIAR System Partners through research programs or other mechanisms to support delivery of CGIAR Strategy and Results Framework outcomes. (Consortium Office)
- Suggested redrafting: “CGIAR Research ~~research~~ programs” means the system wide research programs and/or platform portfolios carried out by the Centers and CGIAR System Partners ~~in support of~~ addressing the CGIAR Strategy and Results Frameworks, excluding research and development projects funded directly by Funders outside of the CGIAR Trust Fund.” (Centers)
- The Document make mostly reference to CGIAR research programs only but doesn’t make reference to other initiatives/programs (i.e. Platforms like for Genebank and Genetic Gain that will be soon submitted as part of the CRP second call). As stated now, the Genebank Platform proposal for example may not be eligible for funding in the proposed governance model. It is required to make reference in this document to ‘CGIAR research programs and other initiatives’. (FAO)
- the definition of “CGIAR research programs” encompasses not only the research programs but ‘other activities carried out by the Centres and CGIAR System Partners in support of the CGIAR Strategy and Results Framework’. This broader definition is supported, but if accepted has very significant implications and ramifications (Australia)

Definition e.

- It may be difficult for those not aware of the full detail of the system to conceptualize what the “system” is. Query whether there is a more effective way to define the system to give better clarity of what is in the system, what the role of particular bodies are, etc. Suggested redraft is:
 - “CGIAR System” means, when taken together as a collective whole, a reference to the Centers, the Funders, the CGIAR System Organization, the advisory and consultative bodies as set forth in Article 3.2, and the CGIAR research actions. (Consortium Office)
- Addition: “...CGIAR System as developed by the Partnership Forum and approved by the System Council.” (Centers)

Definition f.

- Addition: “...the advisory and oversight bodies...” (IEA)
- I acknowledge that I am not a lawyer so may not understand the legal nuances but does this make them an entity distinct from Centers? There is no mention of platforms? I see a potential risk in referring specifically to the CRPs although I also recognize why this could also have merit. (ISPC)
- This definition should include legal entities only (research programs and advisory bodies are not legal entities). For this purpose the definition of the System Organization should also be amended. Suggested redrafting:

- “CGIAR System” means the Centers, the Funders and the System Organization, ~~the advisory bodies as set forth in Article 3.2 and the CGIAR research programs carried out in support of the CGIAR Strategy and Results Frameworks.~~ (Centers)

Definition g.

- while recognising this is not an exclusive list, consideration should be given to including ‘funders’ as named partners. (Australia)

Definition h.

- To ensure consistency with the definition of System Organization, the funding that is also provided to the Organization’s expert and technical advisory units should be included here. Suggested redraft is:
 - “Funders” means those entities that contribute funding to Centers or the CGIAR System Organization** and its expert and technical advisory bodies in support of CGIAR Strategy and Results Frameworks either through the CGIAR Trust Fund or through bilateral contributions. **Note that this is the first use of “CGIAR System Organization” in the 9 March draft (if the suggestion to restate the introduction to a “status” heading is accepted). On balance, we believe that it will be necessary for the official legal entity to be titled “CGIAR System Organization” in the international treaty, and not “System Organization”. For that reason, below, we recommend a change to the existing definition “o”. also. (Consortium Office)
- Suggested redrafting: “Funders” means those entities ~~that contribute funding to that fund~~ the Centers, either directly through bilateral contributions, or through the CGIAR System Organization Trust Fund, in support of CGIAR Strategy and Results Frameworks ~~either through the CGIAR Trust Fund or through bilateral contributions.~~” (Centers)

Definition i.

- Regarding i, j, k: In recognizing the importance of Funders, Centers, and external stakeholders needing to be able to look across the system for assurance, risk and control matters, it is recommended that: (a) there is a restatement of the title of the essential cross-system internal audit service, to be very clear that it is no longer the “shared service function” that exists under the current system, but also to be very clear of the clear competency that this function brings for the system as a whole. We are proposing “Internal Audit Arrangement” (with a focus on reviewing the control and risk environment) to bring alignment in nomenclature with the “Internal Evaluation Arrangement” (with a focus on evaluating performance) ; and (b) there is a more consistent approach to describing the three advisors to the System council. This could be achieved by presenting working drafts of the TOR or Charter at the 2-4 May meeting, with the detail, and then these are approved by the System Council at its first meeting in July 2016. The Charters or TORs could confirm the the hosting arrangements, and engagement modalities with the System Council and System Office. The 9 March draft appears overly detailed for an overall Framework Document. For i, the suggested redraft: “Independent Evaluation Arrangement” or “IEA” means the advisory unit that is functionally independent from its host entity with the responsibilities set forth in Article 14 in this Framework Document. (Consortium Office)
- Suggested redrafting: “Independent Evaluation Arrangement” or “IEA” means the unit advisory body to the CGIAR System, appointed by the System Council that is functionally and financially independent from the System Office ~~and any organization that hosts the unit~~ Bureau and with the responsibilities set forth in Article 14 in this CGIAR System Charter Framework Document. (Centers)

- the Independent Evaluation Arrangement was originally deliberately named as an ‘arrangement’ rather than a ‘unit’. The proposed definition would appear to adopt a different approach, perhaps in acknowledgement that the IEA now has many of the essential characteristics of a unit. (Australia)

Definition j.

- I am not sure that we can be termed ‘functionally independent’ as we report to the SC? A preferable definition is that we are ‘independent from decision-making and implementation of research programmes’. (ISPC)
- Suggested redraft: “Independent Science and Partnership Council” or “ISPC” means the advisory body appointed by the System Council and supported by the ISPC secretariat that is functionally independent from its host entity with the responsibilities set forth in Article 13 in this Framework Document. (Consortium Office)
- Suggested redraft: “Independent Science and Partnership Council” or “ISPC” means the advisory body appointed by the System Council and supported by the ISPC Secretariat that, is functionally and financially independent from the System Office-Bureau, and ~~any the organization that hosts hosting the ISPC Secretariat,~~ with the responsibilities set forth in Article 13 in this ~~Framework Document~~ CGIAR System Charter. (Centers)

Definition k.

- Suggested redraft: “Internal Audit Arrangement” or IAA means the advisory unit that is functionally independent from its host entity with the responsibilities set forth in Article 15 in this Framework Document. (Consortium Office)
- IAU must be functionally and financially independent from the System Office in order ensure impartial delivery of its functions. Additionally, it is clear that the head of IAU reports to the Audit Committee of the SC. This arrangement results in a conflict of interest as the IAU would no longer have an internal audit function of the Centers. (Centers)
- Suggested redraft: “Internal Audit Unit” or “IAU” means the ~~functionally~~ independent and objective assurance and advisory unit within the System Office with the responsibilities set forth in Article 15 of this CGIAR System ~~Framework Document~~ Charter.” (Centers)

Definition l.

- Noting that the forum is consultative in nature, it perhaps has “functions” rather than “responsibilities”. Also, there is perhaps a benefit in not expressly listing the System Organization’s expert and technical advisory bodies by name, but using the generic term, so that should the advisory bodies ever change, it is not necessary to make multiple conforming changes in other parts of the document. Suggested redraft is:
 - “Partnership Forum” means a forum for Centers, Funders, the System Organization’s expert and technical advisory bodies, and CGIAR System Partners to discuss and exchange views about the CGIAR System with the functions set forth in Article 11 in this Framework Document. (Consortium Office)

Definition m.

- Given that the SC is one of only 2 bodies in the System Organization should this not just be in the ‘System’? (ISPC)
- Addition: “...composed in accordance with Article 4, and with the functions set forth in Article 7, of this CGIAR System Charter, respectively.” (Centers)

Definition n.

- To avoid confusion between System Organization/System Office we suggest naming the System Office as the System Bureau. This would also be more appealing to the host country (France). (Centers)
- Suggested redraft: “System Bureau-System Office” means the administrative office that supports the System Organization and facilitates the collaboration within the work of the CGIAR System in fulfilling the mission and goals of CGIAR Strategy and Results Frameworks. (Centers)
- The ‘System Office’ definition seems incoherent (page 3). As stated, the SO is expected to support the System Organization, which also includes the System Office as set in Article 3. (FAO)
- If the ‘System’ definition already includes the Centers then the ‘System Office’ definition as written in the Document could stay as is. (FAO)

Definition o.

- Why is this [Frameworks] plural? There should only be 1 SRF at any point in time. (ISPC)
- Referring back to the commentary in italics at the end of the comments on amending the definition of “Funders” (definition h. above), we propose that the official definition be CGIAR System Organization, but for most documents or references “System Organization” would be sufficient. Suggested redraft is:
 - “CGIAR System Organization” or “System Organization” means the governance and administrative bodies set forth in Article 3.1 that have been created to oversee and facilitate the delivery of CGIAR Strategy and Results Frameworks. (Consortium Office)
- This definition should also include the advisory bodies contained in article 3.2. (Centers)
- Suggested redraft: “System Organization” means the ~~governance and administrative bodies~~ International Organization established by this CGIAR System Charter, with its organs being the System Council, System Bureau, and the Advisory Bodies set forth in Article 3.2, that have been created to oversee and facilitate the collective delivery of CGIAR Strategy and Results Frameworks, through the CGIAR Research. (Centers)

Article 1: Guiding Principles

- Addition: “...set forth in the annex to this CGIAR System ~~Framework Document Charter~~, incorporated herein by reference...” (Centers)

Article 2: Structure of the CGIAR System

- Addition: “The CGIAR System has the following structure:” (Centers)

Paragraph 2.1

- Delete. (Centers)

Paragraph 2.2

- This paragraph discusses the purpose of the system, and the following paragraphs talk about the role of individual aspects of the system. In that light, there’s no need to restate the Center’s role here. (USAID)
- Delete. (Centers)

- On the structure of the CGIAR System (page 4, 2.2), we believe important to also highlight the role of the System partners contribution. We would therefore recommend to rephrase the last sentence as follow: Proposed change:
 - ‘. The Centers and CGIAR System partners deliver innovative research outcomes within CGIAR Strategy and Results Frameworks based on resources provided by the Funders.’ (FAO)

Paragraph 2.3

- Regarding “effective conduct”: What does this mean? Should it not be effective design? (ISPC)
- Addition: “The Centers are independent and autonomous organizations with their own governance structures, which focus on ensure effective conduct...” (Centers)

Paragraph 2.4

- The funders role is much more robust than just providing funding. They are integral to the guidance of the system. (USAID)
- This article should be amended to make it consistent with the definition of Funders. (Centers)
- Suggested redraft: “The Funders provide financial resources to ~~finance CGIAR research programs~~ Centers, either directly through bilateral contributions, or though the CGIAR Trust Fund, in support of CGIAR Strategy and Results Framework.” (Centers)
- Proposed change: ‘The Funders provide financial resources to finance CGIAR research programs and related initiatives.’. Similar changes are also required along the same lines in the full document. (FAO)

Paragraph 2.5

- This Article would be accurate in its current drafting only if the definition of the System Organization also includes the Advisory Bodies (as proposed above). (Centers)
- Addition: “...CGIAR Research, in accordance with the CGIAR Strategy and Results Framework.” (Centers)

Paragraph 2.6

- Change “System Organization” to “System Council, System Bureau...” (Centers)

Article 3: Governance and Organizational Structure

- Given the presence of the definitions, and the also Article 2, a suggestion to reduce redundancy in the document is to: (a) re-define Article 2.5 and 2.6 as proposed below; (b) delete all of article 3; (c) make a consequential change to the definition of “System Organization” (item “o”) to replace the reference to Article 3.1 with a reference to “Article 2.5”; (d) delete Article 7.1 for redundancy.
 - 2.5 The governing and administrative bodies of the System Organization are the System Council as the supreme decision-making body, and the System Office. The System Organization facilitates and oversees effective and efficient development and implementation of CGIAR Strategy and Results Frameworks.
 - 2.6 The System Organization, Centers and Funders benefit from the advice of the Centers Standing Committee, and the following expert and technical advisory units: (a) Internal Audit Arrangement; (b) Independent Evaluation Arrangement; (c) Independent Science and Partnership Council.

If the proposal to delete the existing Article 3 is not adopted, then we would recommend that Article 3.2 be redrafted as follows to note the differing overall governing/relationship between the two key advisory groups:

- 3.1 The advisory bodies and units to the System Organization are: (a) Consultative bodies: (i) Centers Standing Committee; (b) Expert and technical bodies and units: (i) Independent Evaluation Arrangement (IEA); (ii) Independent Science and Partnership Council (ISPC); (iii) Internal Audit Arrangement (IAA). (Consortium Office)

Paragraph 3.1

- If we're including "permanent committees" of the System Council in this framework, shouldn't we list them below, creating a new 3.2, or 3.3? (USAID)
- Suggested redraft: "The governing and administrative bodies of the System Organization are the System Council and the System Bureau, respectively." (Centers)

Paragraph 3.2

- Addition: "...advisory and oversight bodies..." (IEA)
- This ["and units"] is confusing – does it pertain to the Centers Standing Committee? (USAID)

Paragraph 3.2.a

- We suggest creating a separate section for the Centers Standing Committee. The CSC provides input, but it is fundamentally different than the IEA and the ISPC which, though independent, are funded by the SO, appointed by, and report to the System Council. (USAID)

Paragraph 3.2.b

- Addition: "– serving both an oversight and advisory role"
- The core purpose of the IEA is to provide accountability, support to decision making and lessons for improved and more cost-effective benefits from research. IEA serves therefore a functional role as an oversight body (not only advisory) which reflects the compliance component obligation for SC to oversee programs and resources. In general the IEA (and ISPC) have a different role than the CSC as both report to the SC (line of reporting and accountability to the SC). (IEA)

Article 4: Composition of the System Council

- Inevitable pressures to expand the membership of the System Council should be resisted. The proposal to introduce one representative from the host country of the System Office (4.2.b) is not supported. The necessity for a Vice Chair (4.1.b.ii) needs close scrutiny. (Australia)
- The Article uses the terms 'members' (4.1), 'representatives' (4.2), and 'participants' (4.4). If there are distinctions they should be described. It could be inferred that 'participants' describes the totality of the Council composition, whereas 'members' are the voting component and 'representatives' are the active observers. (Australia)

Paragraph 4.2.a

- The Centers are trusted with the implementation of the SRF. In this draft the 15 Centers are underrepresented in the System Council. Considering the importance of direct communication between funders and implementers, Centers should have at least four (4) representatives (1/4 of Centers) in the System Council. (Centers)
- Change "Two" to "four". (Centers)

Paragraph 4.1.a.i

- Add criteria regarding amount of donation from Bogor decision and other relevant decisions following this. This needs to tie to 5.1. (USAID)
- The article is silent on eligibility for Funders to be voting members (4.1.a.i). Subsequent drafts will no doubt provide further elaboration. (Australia)

Paragraph 4.1.a.ii

- It needs to be clear what the process is for determining which countries these are. (USAID)
- How are ‘significant national agricultural systems’ defined? (FAO)

Paragraph 4.2

- Addition: “...active (non-voting) observers...” (ISPC)
- It might be worth emphasizing that active does not mean voting. Either here or in 4.3. (ISPC)
- It is noted that the ISPC, IAA (as we propose) and IEA are all hosted units/advisory bodies that are created by the System Council to be strategic advisors. We suggest that these three would typically have a standing invite to the System Council meetings by virtue of their key advisory capacity, and not because they are “active observers”. Also, because Global Forum on Agricultural Research is a consultative group without formal legal personality, there’s a consequential edit to be made to remove “entities” from the existing definition. . Suggested re-draft is:
 - One representative from each of the following [~~entities~~], provided that if any such entity is a voting member or an alternate of the System Council such entity may not also participate as an active observer in the System Council:
 - Food and Agriculture Organization of the United Nations;
 - International Fund for Agricultural Development;
 - International Bank for Reconstruction and Development;
 - Global Forum on Agricultural Research; and
 - the trustee of the CGIAR Trust Fund.
 - Together with a new 4.3 as follows:
 - In their capacity as key advisory bodies to the System Council, the ISPC Chair, and the head of each of the IEA and IAA will have a standing invite to attend and participate in System Council meetings. (Consortium Office)
- Drafting suggestions: “the following may participate as ~~shall be~~ active observers...” (USAID)

Paragraph 4.2.b

- This was not in the Bogor decision. (USAID)
- We would like to have more clarity of this point, when it was inserted, what was the rationale and background? It is not covered by the decisions taken in Bogor. What is the justification for the host country getting an active observer seat? (EIARD)

Paragraph 4.2.c

- What is the rationale for the order here? Would it not be better to stick with alphabetical? (ISPC)

- As stated, the document classifies FAO as an ‘active observer’. As a founding member of the CGIAR, and in view of his role in the research to development continuum, FAO does not understand the rationale behind such proposal and therefore request its inclusion as a full voting member. FAO cannot approve the proposed CGIAR system framework as actually worded. (FAO)

Paragraph 4.2.c.iii

- This is confusing because the World Bank already qualifies to be a voting member of the System Council by virtue of their contribution. (USAID)

Paragraph 4.3

- Active observers should have all the rights of the voting members except for the right to vote. The rules of procedure of the SC should be drafted accordingly. This is because active observer Center representatives are charged with understanding and relaying the SC decisions to the Centers, and vice-versa including the process which resulted in the decision. (Centers)
- Suggested redraft: “Active observers shall have ~~the right to participate in discussions~~ the same rights as the voting members of the System Council ~~and to propose agenda items and presentations for System Council deliberations in accordance with the rules of procedures of the System Council,~~ except for the right to take part in the voting.” (Centers)

Paragraph 4.4

- Suggested redraft: “All System Council ~~participants-members~~ and active observers shall act in good faith in the interests of the CGIAR System and shall act according to ~~a policy on the corresponding~~ Rules of Procedure, which shall include rules on ethics and conflicts of interest, and which ~~that~~ shall be approved by the System Council.” (Centers)

Article 5: Appointment of System Council voting members and alternates

- Separate and clarify discussion of constituencies: This section confusingly mixes the discussion of constituencies with the appointment of voting members. We suggest the constituency piece be discussed separately, and with regard to relevant decisions pertaining to constituency formation. Recast this based on representative status at will of member country/organization: Given that voting members serve in a representative capacity, the individual representative should be whoever the member chooses at any time. We recognize some need for a process to confirm that a person is a legitimate representative, but members should not be tied down to relying on a particular individual for a set term. In the case of constituencies, it is impractical that a group of countries would jointly decide on one individual to represent them. We envision a group of countries deciding which country would appoint a representative. (USAID)
- System Council members and their alternates are registered by name. That may not be practical as it is difficult to foresee that the same person would be really be able to occupy the seat for a full three year term. It is the country, organization, institution or constituency which receives a seat in the System Council and not a specific individual. It is desirable that the same person can serve for a full term but there should be a greater level of flexibility to ensure a functional Council. (EIARD)
- In general the procedure for the appointment of the SC voting members is not clear. Although this is the prerogative of the voting members themselves, the Centers would like to have clarity on the procedure for the sake of transparency. (Centers)

- Addition of Paragraph 5: “The Rules of Procedure shall ensure that System Council voting members can recuse themselves from voting on any resolutions in which they can incur in a conflict of interest, and shall also provide that the System Council may decide that a particular member should be recused from voting on any resolution in which a conflict of interest exist.” (Centers)
- Where a voting member is in a constituency and from either government or an organisation, it is unclear from 5.2, as worded, who they represent - their government, organisation or constituency. (Australia)
- We support the comment from EIARD on Article 5 (Appointment of System Council voting members and alternates). (Japan)
- It seems more suitable that System Council members and their alternates are not registered by specific individual. (Japan)
- While the three year term of an individual is not appropriate (and was deleted from this draft), perhaps there is a need to state: (a) how often the current eligibility requirements of the system council seat selection are recalibrated on new data, and (b) what is the process for the System Council to reconsider the current eligibility and seat selection requirements. (BMGF)

Paragraph 5.1

- There may be increased clarity achieved by separating out the multiple points in 5.1, into two sub-articles. Also, ensuring that the System Council chair is informed of member appointments. We also note the importance of achieving gender diversity throughout the system, which we would recommend be considered in the supreme governing body also. Suggested re-draft is:
 - 5.1 Every three years each of the two categories of voting members set forth in Article 4.1.a shall determine its process for forming constituencies (which may be comprised of one or more members), including amounts for the country, organization or constituency’s contributions, and deposit that process with the System Office for public information.
 - 5.2 Each constituency shall select its member and alternate according to its own internal processes taking into consideration the desirability of ensuring diversity in gender at the System Council level. Once the selection is made, a representative designated by the constituency shall promptly notify the System Council Chair and System Office for public information. (Consortium Office)
- Regarding “every three years...”: This raises a lot of questions. Does each category, collectively, need to come up with a process? Who gets to take part in that discussion? Would countries not planning to join a constituency get a say in how to form them, etc? (USAID)
- Drafting suggestions: “...shall determine whether to form constituencies, and the its process... Any ~~Each~~ constituency shall select one of its constituents to name a member...” (USAID)
- Addition at end of paragraph: “[For purposes of this Article 5, constituency shall mean the entities collectively represented by any one member of the System Council. The process for forming constituencies shall include, if appropriate, that 50% of each constituency is replaced every two years to ensure continuity and corporate memory. Comment to TT: Suggest clarification to this process, in this document, so that resource mobilization efforts can accurately describe what rights a contributor may expect to obtain as a result of its contribution (to the System or Bilateral) and also to ensure transparency in the representation process of each category]” (Centers)

Paragraph 5.2

- Without seeking to limit the operation of Article 5.4 (which would be so even if not stated, as representatives cannot vote against their own official laws/guiding principles), it is essential that representatives come to meetings with authority to take decisions on all matters that are within the policies of their appointing government, foundation, or other entity, an approach which is in line with the practices of other multilateral funding mechanism rules. Suggested re-draft is:
 - 5.3 System Council voting members and their alternates shall serve as representatives of their respective governments, organizations, or constituencies. Each government, organization or constituency shall ensure that its member, or alternate member in the absence of the member, possesses the appropriate delegation of authority to take decisions on behalf of the government, organization or constituency on matters before the Board. They shall serve on the System Council for three years or such other term that the System Council may decide. A constituency may reappoint its member or alternate to serve a further term. (Consortium Office)
- Deletion: They shall serve on the System Council for three years or such other term that the System Council may decide. A constituency may reappoint its member or alternate to serve a further term. (USAID)
- Given that they're serving in a representative capacity, and our view that the member in question should be able to designate an individual at will, we don't see the significance of the three year term, or why the System Council would have a say regarding the length of an individual's service. (USAID)
- Suggested redraft: ~~"They shall serve on the System Council for three years or such other term that the System Council may decide. A constituency shall select a member and alternate and shall inform the System Office for public information, with the possibility to be reappointed for an additional 3-year period in accordance with the applicable Rules of Procedure."~~ (Centers)

Paragraph 5.3

- [Delete paragraph because] It should go without saying that a member can choose and/or replace the particular individual representing them at any time. (USAID)

Article 6: System Council Chair and Vice-Chair

- The Bogor decision indicated that the World Bank will chair the SC. Also, we prefer the current approach for a co-chair, to the arrangement suggested here. We are concerned that a strongly institutionalized Vice Chair creates disincentives for the Chair to maintain a high level of engagement. It is important to us that the World Bank remain firmly in this role. (USAID)
- Suggested change: ~~"ViceCo-Chair"~~ (USAID)
- EIARD would like to express its surprise and concern that the draft document proposes to change back to an elected chair. That isn't what was agreed in Bogor, and as far as we are aware it hasn't been discussed in any of the various discussions we have had since then. Regardless of the merits of the proposal, this is a major change to what was agreed. We don't think this is a good idea. The World Bank has been a solid and reliable Chair and we should continue with the current model. In addition, who would identify and nominate an external independent Vice- Chair? (EIARD)
- The procedure for the appointment of the Chair and Vice-Chair of the System Council must be clear. Currently the term "constituency" is creating ambiguity. (Centers)

- The 13th Fund Council meeting, April 28-30, Bogor, decided that ‘the World Bank ... name a senior manager in a substantive area related to the activities of the CGIAR system to serve as Chair of the CGIAR System Council, recognizing that the World Bank’s engagement in this role will serve as an essential link to the global architecture for agriculture research and investments for development’. The proposal for System Council members to elect a Chair and Vice-Chair (6.1) is inconsistent with this decision. (Australia)
- Bogor decision of World Bank to chair. We support the co-chair rather than vice-chair position and strongly support an external independent co-chair. The co-chair will practically provide considerable leadership of the Council members and independence would further the operational effectiveness of the Council. Additionally, there is significant risk of continuing internal focus of CGIAR, with the risk that the System becomes increasingly irrelevant and not competitive in a changing landscape of international agricultural research. (BMGF)

Paragraph 6.1

- Suggested redrafting: A senior manager of the World Bank in a substantive area related to the activities of the CGIAR system shall serve as Chair of the System Council. System Council members shall elect a Chair and a Vice-Chair. The System Council may elect a Co-Chair from among the System Council members at the beginning of each System Council meeting. The Vice-Chair shall either be from a constituency represented on the System Council or be an external independent person. The Chair and Vice-Chair shall be impartial and shall not vote in System Council decisions. (USAID)
- Suggested redraft: “...The Chair should ~~shall~~ be an independent ambassador and supporter of the CGIAR System ~~from a constituency represented on the System Council...~~” (Centers)
- The process for identifying the vice-chair needs to be better described. (FAO)
- This article introduces a Vice-Chair (6.1), the functions of, and necessity for, are unclear. It is not sufficient to leave this to the terms of reference as proposed in 6.3. (Australia)

Paragraph 6.2

- To avoid the risk that the Chair and Vice Chair roles are too short (the ED role is 4 years) to be effective in key areas such as assessing performance, and being the overall steward of resource mobilization efforts, the suggestion is to extend the terms by, at a minimum, one additional year. Each 12 years, the two roles would come up for selection at the same time. Suggested redraft of first part of paragraph is:
 - 6.3 To provide for greater continuity, the Chair will be elected for a four-year term, and the Vice-Chair shall be elected for a three-year term, and the rules for appointment, renewal and vacancies will be as set forth in the rules of procedures. (Consortium Office)
- The changes above would make this paragraph unnecessary. (USAID)
- We recommend definition of the term for the Chair of CGIAR System Organization be limited to 4 rather than 3 years to promote greater continuity. (World Bank)

Paragraph 6.3

- The Terms of Reference should be fairly simple and can be stated here, rather than being worked out later by the System Council (though the SC could certainly modify them as necessary). There should be no need for terms of reference for the Co-Chair, as their role should be straightforward and limited in time. (USAID)

Article 7: Functions of the System Council

- Strategy and Results Framework (SRF): We understand that the current endorsed SRF is valid until 2030 and hope that we will run with it, instead of starting another round soon, as the document implies here and there.

7.2 The System Council shall exercise all powers required ..., including, ...:

- o. agree with the Centers Standing Committee (CSC) on areas on areas on which the System Organization will develop system-wide policies, procedures and guidelines and research standards and approve such policies, procedures, guidelines and standards

together with

12.1 The Centers Standing Committee shall have the following responsibilities:

- e. agree with the System Council on the areas in which the System Organization would develop system-wide policies, procedures and guidelines and research standards and review such policies, procedures, guidelines and standards as they are developed by the System Office, prior to submission to the System Council for approval.

EIARD has concerns with these points. The CSC is as per Art. 3.2. an advisory body to the System Organization and not another governance body but a forum to align the views of the centers when they extend their views to the System Council (SC) through their two representatives with observer status. The SC will receive the views of the centers submitted through their representatives but it is the SC that takes the final decisions. (EIARD)

- The Centers suggested reorganizing the listed functions into three sub-sections: governance, financial and other as seen below:

Governance

- a. initiate foresight exercises on ongoing trends and risks in science and in the field of agricultural research for development;
- b. appoint and remove the Executive Director and conduct annual performance reviews, in consultation with the CSC;
- c. agree with the Centers Standing Committee on the development of system-wide policies, procedures and guidelines and research standards for the design and execution of CGIAR Research, and approve such policies, procedures, guidelines and standards;
- d. oversee the development of, and review and approve, CGIAR Strategy and Results Framework;
- e. commission periodic independent evaluations of the CGIAR System;
- f. approve rules of procedure for the System Council;
- g. Commission, as needed, and on a case by case basis, an audit or investigation on a system-wide risk;
- h. taking into account advice from the IEA and Centers Standing Committee, approve a system-wide evaluation policy, including evaluations of CGIAR Research and periodic external governance and management reviews of the Centers;
- i. agree with CSC on proposals and funding for shared services and platforms;
- j. Taking into account advice from the Center Standing Committee and the IAU, adopt a system-level risk management framework and escalation procedures, and supervise its implementation;
- k. appoint the Heads of the IEA and IAU, and the Chair of ISPC, and conduct their annual performance reviews;
- l. establish committees as necessary and appoint the members of such committees in accordance with this CGIAR System Charter;

- m. In agreement with the CSC, ensure that all its decisions are consistent with the Centers' Charter, articles of incorporation or bylaws, as the case may be;
- n. Consult with the CSC on the Centers' point of view on major decisions for which centers support is needed, including the execution of CGIAR Research;
- o. Approve boundaries for strategy development based on the review made by the ISPC.
- p. Approve concept notes related to Partnership Forum meetings, as well as the dates for each Partnership Forum.

Financial

- q. approve strategic priorities, taking into account advice from the ISPC and the Centers Standing Committee on prioritization, to guide development of CGIAR Strategy and Results Framework;
- r. taking into account advice from ISPC and the Centers Standing Committee, approve clear guidelines and criteria for prioritization and annual allocation of funds across CGIAR Research based on strategy, priorities and performance, in accordance with the terms of the CGIAR Trust Fund;
- s. Oversee the financial performance of the CGIAR System and supervise compliance with system-wide financial policies, procedures and guidelines;
- t. examine and supervise the implementation of the CGIAR Research based on annual system-level programmatic and financial reports and independent evaluations, and keep under review the overall performance of the CGIAR System and compliance with system-wide policies, procedures and guidelines;
- u. monitor provision of funding for the CGIAR System and keep under review the financial status of the CGIAR Trust Fund based on reports from the Trustee;
- v. approve and supervise mechanisms to stabilize flow of funds, including system-level innovative financing approaches;
- w. taking into account advice from the ISPC and Centers Standing Committee, approve CGIAR Research and endorse the indicative funding for each specific CGIAR Research not funded on a bilateral basis;
- x. approve consolidated annual work plan and administrative budget of System Organization and advisory bodies;
- y. approve the annual work plan and budget of the Trustee;
- z. approve the annual report and financial statements produced by the System Organization;

Other

- aa. Approve an annual audit plan for the System Organization;
- bb. [Review CGIAR Research audit reports;]
- cc. promote the mission and activities of the System Organization, building awareness of, and support for, the CGIAR System in an expanded community of funders;
- dd. taking into account advice from the Center Standing Committee, approve and oversee a system-level and system-wide resource mobilization plan;
- ee. approve system-level communications and knowledge management strategies;

[The drafting suggestions for each particular point can be found on page 9-11 at:
<http://cgiarweb.s3.amazonaws.com/wp-content/uploads/2016/03/Joint-Centers-Response-24.3.161.pdf>] (Centers)

- The following points are anchored in Guiding Principle 13 which states: “A robust performance monitoring system needs to be in place, which includes consolidated reporting at the system-level.”: At the moment this section does not have a clear, separately identifiable statement on the System Council’s responsibilities as related to financial reporting (periodic and annual) and independent auditing thereupon. As this is a key obligation of any board (which in essence the Systems Council is), it needs to have the corresponding profile. Sub-clause (x) is helpful but does not go far enough in that direction. Specifically, we recommend that the following aspects be more fully addressed:
 - Review and approval of a CGIAR System-wide format for, and periodicity of, financial reporting that accords with internationally recognized financial reporting standards;
 - Approval of selection of a CGIAR System independent external auditor; and
 - Review and approval of consolidated, and audited, CGIAR System annual audited consolidated financial statements. (World Bank)

Paragraph 7.1

- Delete the article to remove redundancy in the proposed re-draft of article 2.5 above. (Consortium Office)
- Deletion: “highest” (USAID)
- Suggested redraft: “The System Council shall exercise the following all powers required to carry out the purposes of the System Organization, including, without limitation:” (Centers)
- The description of the System Council in 7.1 is not identical to the earlier definition (m, p.3), it is largely redundant. (Australia)

Paragraph 7.2

- Given the very long listing of specific responsibilities, we see it as beneficial to overall comprehension of the scope of the role of the System Council to have the areas focus separated into thematic groups. There also appear to be gaps in the list – including, fundamentally, functional responsibility for those actions that enable the System Council to discharge its role as set out in Article 2.5 (as originally drafted, or with the edits). Suggested groupings of the role of the System Council are set out below, with the overall proposed specific responsibilities being set out in Annex 1 to this document:
 1. Identify the vision and set strategic direction
 2. Partnership engagement, resource mobilization and advocacy
 3. Commitment and oversight of financial resources
 4. Assessment of performance for impact
 5. Establish and oversee an effective governance environment
 6. Ensure effective control and compliance environment (Consortium Office)

[The referenced Annex 1 can be found on page 18-20 at: <http://cgiarweb.s3.amazonaws.com/wp-content/uploads/2016/03/Consortium-Office-23.3.161.pdf>.]

- The powers of the system council should be those required to oversee and facilitate the delivery of the SRF and provided in a defined list. This should take into account the principle of subsidiarity contained in Guiding Principle 12 and the current conclusions of the Finance WG, Science WG, and Big Picture WG. For example, taking into account the advice of the ISPC and CSC in the approval of a System wide resource mobilization plan, the approval of CGIAR research programs and the approval of guidance and criteria for prioritization and annual allocation of funds across the CGIAR research programs. Also agree with the CSC on the applicable criteria to include or remove Centers from the list of recognized CGIAR Research Centers. (Centers)
- In many instances (e.g. 7.2.d, j, k, l, n, q, r, t, u, v, x), the functions of the System Council are to ‘approve’, but in a number of instances (e.g. 7.2.e, f), the System Council also ‘oversees the development of’ various policies, procedures and guidelines. The inconsistency may be seen to imply that the System Council does not oversee the development of the former tasks. (Australia)

Paragraph 7.2.a

- The term ‘promote’ (7.2.a) is vague as it is used to describe in relation to the System Council’s role in relation to the System Organisation’s mission and activities (Australia)

Paragraph 7.2.e

- The SC is now empowered to approve the CGIAR SRF while this role was originally in the hands of the Funders Forum now called Partnership Forum. FAO is of the opinion that such important Document needs to be approved by the Partnership Forum as a whole; and not only by the SC. We suggest that the SC could have a role to pre-approve the SRF but then the final approval of the SRF should still be in the hands of the Partnership Forum. (FAO)
- We don’t support the mixed roles of ‘advisory’ bodies to the Council being given decision-making mandates. The Council should be approving, other bodies should be recommend to the Council for approval. (BMGF)

Paragraph 7.2.f

- [Delete because] There is a 25 year history of non-productive efforts in this regard with no funds raised after large expenditures of time and money. (USAID)

Paragraph 7.2.h

- Deletion: “including system-level innovative financing approaches” [because] This phrase doesn’t add substance. (USAID)

Paragraph 7.2.j

- This is overly complicated. Suggest deleting this clause and simplifying the next, which was too prescriptive. (USAID)
- One function (7.2.j) of the System Council is to approve CGIAR research programs which, as defined, means ‘the research programs and other activities carried out by the Centers and CGIAR System Partners in support of CGIAR Strategy and Results Frameworks’. This implies that the System Council approves bilateral activity where that activity supports the SRF. The implications warrant further discussion and examination. Subsequent functions (7.2.k, m etc) are also relevant in this respect. (Australia)

Paragraph 7.2.k

- Regarding “criteria for prioritization”: There could be confusion between k and d – both talk about priorities. (ISPC)

- Deletion: “programs based on approved guidelines and criteria fro prioritization and” (USAID)

Paragraph 7.2.l

- Why system-level reports would be used rather than program specific ones. (USAID)

Paragraph 7.2.m

- There won’t be annual ‘evaluations’ so the wording here might need to be clearer. (ISPC)
- Regarding “overall performance of the CGIAR System”: To me there are inconsistencies between performance of the overall System and the reference in f simply to the design and execution of the CRPs? (ISPC)

Paragraph 7.2.n

- Drafting suggestions: “seek input from ~~agree with~~ the Centers Standing Committee on areas for ~~on~~ ~~which the System Organization will develop~~ system-wide policies, procedures and guidelines and research standards and approve such policies, procedures, guidelines and standards;” (USAID)
- Conditioning System Council action on CSC approval essentially gives them veto power for certain subjects. This is not in the spirit of FC decisions that Center Representatives should be active observers, rather than voting members of the Council. (USAID)

Paragraph 7.2.o

- This also has relevance for m, above. (ISPC)
- Addition: “procedures as needed, ...” (USAID)

Paragraph 7.2.p

- Addition: “...strategies as deemed necessary;” (USAID)

Paragraph 7.2.q

- We suggest this, rather than the following clause, as less prescriptive: “approve a system-wide evaluation policy reflecting the needs identified by the System Council, ~~including evaluations of CGIAR research programs and periodic external governance and management reviews of the Centers~~;” (USAID)

Paragraph 7.2.r

- Addition: Split into two bullet points (1) “approve a system-wide evaluation policy” and (2) “approve schedule of evaluations of CGIAR research programs, cross-cutting themes, institutions and periodic external governance and management reviews of the Centers;” (IEA)

Paragraph 7.2.s

- Addition: “...System and endorse evaluation recommendations and agreed follow-up actions;” (IEA)

Paragraph 7.2.u

- Addition: ...and the oversight and advisory bodies, and review annual performance reports” (IEA)

Paragraph 7.2.w

- Addition: “appoint (and approve extension) of the Heads...” (IEA)
- Delete: “...ISPC, ~~and conduct annual performance reviews~~” (IEA)

- Regarding “the Char of ISPC”: This is new, which is fine, but a Council can hardly conduct annual performance reviews so not sure why this is here rather than simply in the Committee? Also, at present the FC also approves/appoints the Council members – that isn’t covered here even at the Committee level. (ISPC)

Paragraph 7.2.v

- Deletion: “ISPC, ~~and conduct annual performance reviews,~~” (USAID)
- Overly prescriptive. (USAID)

Paragraph 7.2.w

- Addition: “...statements compiled and produced...” (USAID)

Paragraph 7.2.x

- Should this not be the System Office? Otherwise it is a circular argument given that the SC is part of the System Organization? (ISPC)

Paragraph 7.3

- Regarding “provided that the System Council may only delegate its approval, adoption and appointment powers to committees of the System Council...”: This seems overly complex – could the English not be simplified? (ISPC)
- The delegation of authority by the SC to committees should be carefully worded. We have some difficulties to envision a committee of for example 10 representatives taking complex decision at the System level on behalf of the SC. We would prefer that the committee recommendations are presented to the SC with a request for endorsement set to 2-weeks as it’s the practice today for FC decisions by email. (FAO)

Article 8: System Council operations

- Proposed new 8.8: It is common for there to be provision for in-camera deliberations, coupled with a responsibility to report publicly in the meeting record the outcome of a decision taken in closed session if it has a material effect on the organization’s operations. It is suggested this be transparently included in the Framework Document to avoid lack of clarity on this possibility. Suggested redraft is:
 - At the determination of the Chair, the System Council may conduct business at a closed (executive) session where only the Chair and voting members may be present. The Chair may provide for the participation by others as appropriate in the circumstances. In exceptional circumstances as determined by the Vice Chair, the System Council may conduct business at a closed session without the Chair present. The outcomes of a closed session shall be made public in open plenary if a decision is taken that has a material impact on the System Organization. (Consortium Office)
- In the Article 8, it is suggested to explicitly state that CRP proposals should be submitted for SC consideration at least one month before SC meetings as it is the case today in the actual governance framework. We are of the opinion that CRP proposals require more time for consideration by each SC member due to their complexity, budget requirements etc. (FAO)
- We support the comments from EIARD on Article 8 (System Council Operations). (Japan)
- As we mentioned in our comment dated on 6 January 2016, we think setting a rule on documentation is important as indicated below.

- For our effective and efficient preparation for the meeting, it would be desirable to include specific documentation rules. Considering similar examples of other international organizations, conference agenda/documents need to be prepared and circulated in specific timing (e.g. 3 weeks in advance of the meeting).
- Prior documentation rules are particularly important for internal coordination and representation among the members of constituency groups. In this sense, it would be desirable to consider clarifying procedural rules for internal coordination/representation among constituency members (e.g. the coordination rules are up to each constituency group?). (Japan)

Paragraph 8.1

- Is this [ordinary session] a term of art? If not, perhaps just “regularly scheduled session.” (USAID)
- Addition: “The rules of procedure adopted by the System Council shall...” (USAID)

Paragraph 8.3

- Does this term [“are present”] legally cover virtual meetings better than ‘in attendance’? (ISPC)
- The presence of active observers (including at least two preferably 4 Center representatives) should be required for the SC to conduct its business. This would ensure efficient fulfillment of advisory roles of the active observers. (Centers)
- Suggestion of an additional bullet “c” between the current “b” and “c”:
 - “c. The representatives from the Centers Standing Committee for a transparent and true partnership; and” (Centers)

Paragraph 8.3.a

- Deletion: “...~~including not less than three of the voting members representing the developing countries.~~” (USAID)
- This was not in the Bogor agreement. (USAID)

Paragraph 8.3.c

- Drafting suggestion: “~~Co-Vice-Chair.~~” (USAID)

Paragraph 8.5

- Replace Vice-Chair with Co-Chair. (USAID)
- Drafting suggestion: “In circumstances where a vote is taken, decisions require a ~~double weighted majority comprise of both:~~” (USAID)
- This phrase is may be confusing and doesn’t add anything since its described below. (USAID)
- 8.5 is not very clear. We would prefer a clear, predefined decision making mechanism for the case that consensus cannot be reached, which is made transparent from the beginning and in which all implications of the double weighted majority approach are understood. (EIARD)
- On Items 8.5.a and 8.5.b, we believe the ¾ majority is the preferred option. We therefore suggest removing the 2/3 majority option in both cases in the Document. (FAO)
- The paragraph 8.5 does not clearly indicate at what point we would conclude that consensus cannot be reached so that a call for a vote can be proposed. In addition, there should be an option for reserving a position when members need some time for further consideration. In short, a rule on when to call for a vote and an option to reserve a position need to be included. (Japan)

Paragraph 8.6

- All decisions of the System Council should be made publicly available and communicated to the Centers. (Centers)
- Addition: “All such decisions shall be made publicly available and properly communicated to Centers in accordance with the rules of procedure.” (Centers)
- On item 8.6, we suggest that SC decisions are made publicly available on the CGIAR Web site no more than 30-45 days from the meeting closure. A similar rule exists already in the actual governance framework. (FAO)

Paragraph 8.7

- Regarding “in such requests.”: Is there a bit missing here? In response to? (ISPC)
- For electronic voting in lieu of meetings, the active observers of the System Council should also be provided with the text of the decision to be voted and the background materials at the same time as the voting members. Active observers should be able to raise their concerns about the issues to be voted. (Centers)
- Additions: “In the circumstances set forth in the rules of procedure, the System Council may be requested to approve a decision by electronic means using a no objection procedure in lieu of a meeting. System Council members and active observers shall be provided with sufficient background materials and a proposed decision text in such requests. Active observers shall be able to provide to the System Council their concerns on such decision within 7 calendar days following receipt of the background materials and proposed decision text. System Council members shall be provided with no less than fourteen (14) calendar days to state an objection. Should an objection be received from any System Council member and not retracted before the deadline for objections, the decision shall not be considered approved. System Council members shall communicate their no-objection before the deadline. A decision that is not approved can be revised and reissued for decision, or submitted to a meeting of the System Council, at the election of the Chair.” (Centers)

Article 9: System Council Committees

- There should be a Governance Committee listed here. It is the most important committee for the SC. It is not clear that the additional committees are needed, and doubtful that the SC would want to take on direct responsibility rather than just review and approve input from constitutive or ad hoc functions. We are doubtful of the capacity or utility of the SC’s carrying out this many committees. (USAID)

Paragraph 9.1

- At the opening of the Article, we suggest returning to the well-understood “standing committee” terminology, and the Centers renaming their important consultative group. To take up suggestions above about having more consistency in the references to the IEA, ISPC and IAA (our suggestion) the following edits are suggested to the Committees as stated in the document. We appreciate that TOR or Charters would be developed that more fully describe the roles. We suggest that these could come to the System Council’s 1st meeting in July 2016, but consultation drafts issued in advance to enable a first round of inputs to strengthen the paper that will be considered by the System Council. In addition - it would be important to ensure in those Charters/TORs that both the audit and finance committees would have a number of independent persons with expertise in the areas of the committee as full members. Further, that the Audit Committee would be chaired by an independent person with expertise in assurance and controls, and risk management selected through a process approved by the System Council: Suggested re-drafts are:

- an Audit Committee, the purpose of which shall be to assist the System Council to fulfill its corporate governance and oversight responsibilities in relation to external financial reporting, internal control and compliance framework, including the appointment, oversight and remuneration of the external auditor. Additionally, making recommendations to the System Council on the appointment of the head of the IAA and his/her expected performance standards;
 - ...Finance..[no changes suggested]
 - a Strategic Impact and Evaluation Committee, the purpose of which shall be to assist the System Council in its oversight of the strategic direction of the System Organization and ensuring optimal efficiency, effectiveness and impact of the CGIAR research actions according to a robust and rigorous results based management framework. Additionally, making recommendations to the System Council on the appointment of the Chair of the ISPC, and the appointment and expected annual performance standards of the head of the IEA. (Consortium Office)
- On item 9.1, it is suggested to clearly indicate how these committees will be composed. It is also suggested to add a Genetic Resources/IA/IP Policy committee as a permanent committee (similar to the existing FCIP but also covering the Genetic Resources component). (FAO)

Paragraph 9.1.a

- On item 9.1.a, we suggest to rename the Audit committee to the Governance and Audit Committee. (FAO)

Paragraph 9.1.b

- Addition: “a Finance Committee, the purpose of which shall be to assist the System Council in the resource mobilization strategy, its review and approval...” (Centers)

Paragraph 9.1.c

- Addition and deletion: “a Strategic Impact and Evaluation Committee (SIEC), the purpose of which shall be to assist the System Council in its oversight of the strategic direction of the System Organization and ensuring optimal efficiency, effectiveness and impact of the CGIAR ~~research programs~~. SEIC will review evaluation policy matters and evaluation outputs and will advise System Council on decisions with respect to recommendations and follow up actions. SIEC will also make through robust evaluation processes and making recommendations to the System Council on the appointment of the Chair of the ISPC and the Head of the IEA. Rules for membership will be drafted to ensure engagement, representativeness, and informed decisions. (IEA)
- We have only added detail related to evaluations and the work of IEA, however this should also include and address strategic research and impact related matters.” (IEA)
- Regarding “...on the appointment of the Chair of the ISPC...”: May need to add and Council members? (ISPC)
- Replace “oversight” with “supervision” (Centers)
- Replace “research programs” with “Research” (Centers)

Paragraph 9.2

- On item 9.2, the issue of managing the intellectual assets and availability of genetic resources for developing countries are crucially important and should deserve a permanent IP group. This is also in-line with our previous comments. A Genetic Resources Policy Committee should be considered as a standing committee in a form or another (e.g. together with IA/IP). (FAO)

Paragraph 9.3

- Addition: “Terms of reference shall expire after 3 years.” (USAID)
- We suggest this, or some other period. Otherwise, we envision that it would be unlikely that terms of reference would be duly updated. (USAID)
- At least one Center representative must be included in each of the System Council Committees (permanent and ad-hoc). (Centers)
- Addition: “...appointment of representatives of the Centers, qualified individuals...” (Centers)

Article 10: System Office

- The following points are anchored in Guiding Principle 13 which states: “A robust performance monitoring system needs to be in place, which includes consolidated reporting at the system-level.”: As a corollary to the above [See World Bank Comment in Article 7], while the requirement to design the reporting format and periodicity is included as sub-clause 10 (i), the other two items are not. Accordingly, we recommend that the following also be included:
 - Preparation of the terms of reference and a short-list for the selection, by the Systems Council, of the CGIAR System independent external auditor; and
 - Preparation, for the purpose of audit, of the CGIAR System consolidated annual financial statements. (World Bank)

Paragraph 10.1

- To avoid confusion, this article should read the same as the Definition of the System Office. (Centers)
- Suggested redraft: “The System ~~Bureau Office~~, headed by the Executive Director, shall be responsible for the day-to-day operations of the System Organization ~~the administrative office that supports the System Organization and facilitates the collaboration within the CGIAR System in fulfilling the mission and goals of CGIAR Strategy and Results Frameworks.~~” (Centers)

Paragraph 10.2

- As for the functions of the System Council, given the very long listing of specific responsibilities, we see it as beneficial to overall comprehension of the scope of the role of the System Office by allocating functions under a number of thematic group. There also appear to be gaps in the list – including in regard to strengthening partnership and supporting delivery of each Partnership Forum. Annex 1 lists the suggested functions under the same thematic headings as for the System Council so that there is the ability to see the link between the two. (Consortium Office)

[The referenced Annex 1 can be found on page 18-20 at: <http://cgiarweb.s3.amazonaws.com/wp-content/uploads/2016/03/Consortium-Office-23.3.161.pdf>.]

- Addition: “z. Monitor the implementation of CGIAR research programs via reporting from the lead centers to verify that research programs are being carried out as approved by the System Council and report any matters of concern to the System Council.” (USAID)
- The Centers suggested reorganizing the listed functions into three sub-sections: governance, financial and science as seen below:

Governance

- a. service the System Council and organize and support meetings of the System Council;
- b. oversee implementation of System Council decisions;

- c. maintain strong communication with Centers, advisory bodies and CGIAR System Partners;
- d. coordinate multi-stakeholder process for the development of CGIAR Strategy and Results Framework and support the drafting process on behalf of the System Council;
- e. in consultation with Centers, coordinate the submission of a portfolio of CGIAR Research proposals for review and approval by the System Council;
- f. prepare, in collaboration with Centers, an annual system-level programmatic and financial report on CGIAR Research , building on information provided by Centers;
- g. facilitate access to research-based information and knowledge by key countries and multi-stakeholder platforms and to inform high-level policy debates and advocacy work;
- h. facilitate coordination and consistency of Center communication and knowledge management strategies and facilitate their implementation, in consultation with the Centers and CGIAR System Partners;
- i. promote and manage system-level partnerships and external relations in areas specifically agreed upon by the Centers Standing Committee;
- j. in consultation with Centers, develop and maintain system-level relationships with Funders, including actively engaging with emerging and new donors;
- k. develop, in collaboration with system advisory bodies, a consolidated annual work plan and administrative budget of the System Organization
- l. develop, in consultation with Centers Standing Committee, proposals for clear guidelines and criteria for prioritization and allocation of funds across CGIAR Research portfolio, based on strategy, priorities and performance;
- m. develop, in consultation with the Centers Standing Committee, a proposal for a system-level risk management framework and escalation policies; and

Finance

- n. provide the System Council with indicative financial analysis of proposed CGIAR Research budgets based on agreed criteria and priorities;
- o. develop, in consultation with the Centers Standing Committee, proposals and budgets for shared services and platforms, and facilitate the development of system-wide policies, procedures and guidelines;
- p. develop and facilitate implementation of a system-level and system-wide resource mobilization plan, in collaboration with the Centers Standing Committee;
- q. develop proposals for and implement mechanism to stabilize flow of funds, including system-level innovative finance mechanisms;
- r. provide an annual financial forecast on the CGIAR Trust Fund to Centers and System Council and develop, in consultation with Centers Standing Committee, a proposal for allocating funds to CGIAR Research;
- s. maintain a repository of information provided by the Centers on the Centers' financial systems and controls that are in place to ensure proper use of funds;
- t. provide the Trustee the information needed for the Trustee to carry out its responsibilities, including transfer of funds for CGIAR Research in accordance with instructions from lead Centers.

Science

- u. develop guidance on CGIAR Research proposal development, in consultation with research program leaders, ISPC and Centers Standing Committee, that reflects agreed criteria and priorities;
- v. prepare an annual portfolio analysis of the CGIAR Research in consultation with the Centers Standing Committee;
- w. monitor implementation of recommendations, endorsed by the System Council, arising from evaluations of CGIAR Research

- x. coordinate, in consultation with the ISPC and Centers Standing Committee, the development of the performance management system for CGIAR Research , including common reporting formats and periodicity of reporting;

[The drafting suggestions for each particular point can be found on page 15-17 at:
<http://cgiarweb.s3.amazonaws.com/wp-content/uploads/2016/03/Joint-Centers-Response-24.3.161.pdf>] (Centers)

- There are many other points under 10.2, all to be done in consultation with the CSC. It is clear that the System Office relies on the information from centers but we also want to see a robust and strong System Office that takes up initiatives. As it is formulated now, it rather looks like a pure executing administration of the SC. As written, large parts of its functions are carried out in consultation with the CSC which further weakens its role. Instead, the System Office should be the face of the CGIAR which is controlled by the SC and which ensures that important decisions are implemented by the programs and centers. (EIARD)
- The function of the System Office should be limited to those required to facilitate the implementation of the decisions of the System Council by coordinating with the Centers, Funders, CGIAR System Partners, and other bodies of the System Organization. This should take into account the principle of subsidiarity contained in Guiding Principle 12 and the current conclusions of the Finance WG, Science WG, and Big Picture WG. For example in this draft Framework Document for the System Office we have “develop, in consultation with the ISPC and Centers Standing Committee, the performance management system for CGIAR research programs, including common reporting formats and periodicity of reporting” Whereas in the SWG matrix the corresponding phrase is the less forceful role “Co-ordinate with other system entities the development of the performance management system”. Another example is where the role of the ISPC is becoming less evident because the System Office has the function to “prepare, in consultation with Centers, an annual system-level programmatic and financial report on CGIAR research programs and other activities, building on information provided by lead Centers and other Centers”; whereas in the SWG matrix, we have: ‘Review and report annually on research programs using criteria and process developed by the ISPC. On Knowledge Management functions of the System Office the SWG provided: “Collate Knowledge Management products as part of system-wide science communication strategy (in collaboration with Center communicators); which is translated to the Framework Document as “develop and implement, in consultation with the Centers and CGIAR System Partners, communication and knowledge management strategies”. (Centers)
- In some instances, such as monitoring and reporting (e.g. 10.2.j, l), functions encompass ‘CGIAR research programs and other activities’, whereas portfolio analysis (10.2.k) is only on the CGIAR research programs (noting of course that the definition of CGIAR research programs includes ‘other activities’). (Australia)
- In some instances, consultation is with Centres (e.g. 10.2.j, o) whereas in others it is with the Centres Standing Committee (e.g. 10.2.j n, q, u) and in one instance (10.2.v) it is with Lead Centres. This may or may not be intentional. (Australia)

Paragraph 10.2.d

- As discussed in Washington there is potential for conflict of interest here if the SO is providing analysis on resource allocation etc. (ISPC)
- Addition: “support Centers Standing Committee in fulfilling the responsibilities articulated in Article 12; (USAID)
- We generally find there to be a tension between the CSC as an advisory body with responsibilities, and a voluntary forum for Centers to provide input. This may require further clarification. (USAID)

- Consider qualifying this [“support”]. This is a suggested change to make it more apparent what that support would be. (USAID)
- This may raise wrong expectations. Rather, the Centers Standing Committee is established to support the centers. (EIARD)
- On item 10.2.d, we are requesting additional clarifications of this role. We envision the CSC as a coordination body between Centers and providing essential support to the SC and advisory bodies. Such relation needs to be better articulated and roles and responsibilities well defined. (FAO)
- The function of the System Office to ‘support Centers Standing Committee’ (10.2.d) is too vague. Does this extend to financial support? (Australia)

Paragraph 10.2.e

- We suggest the ISPC take on this role. (USAID)

Paragraph 10.2.f

- Deletion: “that reflects agreed criteria and priorities;” (USAID)
- 10.2.f introduces, for the first time, ‘research program leaders’; a category of persons not elsewhere described or defined. (Australia)

Paragraph 10.2.g

- Should there not be reference to ISPC here? From whom are we going to receive the proposals? Direct from the Centers or through the SO? (ISPC)

Paragraph 10.2.h

- Deletion: “based on agreed criteria and priorities;” (USAID)

Paragraph 10.2.i

- It needs to be clear that the System Office is in the lead and they do not have to ask for approval from the ISPC or the CSC before submitting to the SC. (EIARD)
- Consideration should be given to including IEA in 10.2.i. (Australia)

Paragraph 10.2.m

- ‘High-level policy debates’ is open to multiple interpretations. The SO could provide information to inform high level policy debates on what to fund but informing national policies on food production etc should be the preserve of the scientists in the Centers/programs. (ISPC)
- These edits are suggested to emphasize the SO and CSC role in stimulating actual use of shared services platforms, and placing the development of new platforms in that context. (USAID)

Paragraph 10.2.n

- Drafting suggestions: “~~develop,~~ in consultation with the Centers Standing Committee, on a demand-led basis, facilitate use and development of ~~proposals and budgets for~~ shared services and platforms to improve system efficiency, and facilitate the development of system-wide policies, procedures and guidelines;” (USAID)

Paragraph 10.2.o

- Why does this come after m? They should at least be one after the other. (ISPC)

Paragraph 10.2.q

- Delete. (USAID)
- We are unclear about this distinction. This is a term used throughout the document, so we'd like to understand that better. (USAID)

Paragraph 10.2.r

- Addition: "...donors as directed by the System Council;" (USAID)
- This can result in useless costs and travel. We suggest binding this to SC direction. (USAID)

Paragraph 10.2.s

- Delete. (USAID)
- Time consuming and not likely to be effective. (USAID)

Paragraph 10.2.t

- Addition and deletion: "develop ~~an, in collaboration with system advisory bodies, a consolidated~~ annual work plan and administrative budget of the System Organization, and consolidate with the annual work plan and budgets of oversight and advisory bodies;" (IEA)
- IEA is an independent unit, and the work plan and budget is approved by SC (as noted separately in 76.2., as currently stated, there is a conflict of interest. (IEA)
- We agree with the revised wording proposed by the IEA here. (ISPC)
- If this ["advisory bodies"] is meant to include the Centers Standing Committee, perhaps they should be mentioned separately (see our previous comment on how they aren't an "advisory body" in the same sense as the others). (USAID)

Paragraph 10.2.u

- We seem to have criteria for prioritization in a number of places – I thought we agreed that these would follow from the work which the ISPC is 'leading and facilitating system-wide agreement on criteria' so should that not be mentioned here? Otherwise we are back where we are right now with multiple versions of criteria. (ISPC)
- This should be up to the SC per advice of the ISPC. (USAID)
- Same as above (i), consultation is fine but the lead is with the System Office and it takes the final decision what to propose to the SC. (EIARD)
- Delete. (USAID)

Paragraph 10.2.v

- This seems untidy in being separated from u which is about the criteria – could all the 'allocation' bits not be combined? (ISPC)
- Deletion: "provide an annual financial forecast to Centers and System Council ~~and develop, in consultation with the lead Centers, a proposal for allocating funds to CGIAR research programs;~~" (USAID)
- We suggest that the ISPC develop proposals for allocation of funds to CRPs. (USAID)

Paragraph 10.2.w

- Functions in relation to financial controls (10.2.w) are too passive, and entirely dependent on the provision of information by the Centres. (Australia)

Paragraph 10.2.x

- We're not clear about what "escalation policies" are. What does this mean? It's used elsewhere as well. (USAID)

Paragraph 10.2.y

- Addition: "based on decisions of the System Council, provide the Trustee..." (USAID)

Paragraph 10.3

- Deletion: "...in an ~~non-political~~, open and competitive manner." (USAID)
- This is ambiguous, and not a helpful addition. (USAID)
- The role of the Executive Director (ED) described here is much weaker than in the TORs of the ongoing ED search. What about the role of the ED as far as CGIAR System leadership and communication is concerned? (EIARD)
- Addition: "...appointed to serve a single term of four years..." (Centers)
- In Article 10, the role of the Executive Director (ED) as the spoke-person/main representative for the System Organization needs to be clarified/strengthened. As presented, it seems that the Document describes the ED more as an office manager than a truly CGIAR spoke-person. Overall the Document doesn't provide sufficient clarification on who is speaking now on behalf of the System. We also believe inappropriate for the SC Chair to be the CGIAR spokesperson. (FAO)
- It was agreed at FC13 in Bogor that '[T]he Executive Director will be expected to play an important advocacy role for the CGIAR system'. This could be given greater emphasis as it only appears obliquely under 10.2.m. (Australia)

Paragraph 10.4

- Given the proposed change to the definition System Organization the Executive Director should be the chief executive officer of the System Office/Bureau. I made a changed proposal. It is an ED. (Centers)
- Suggested redraft: "The Executive Director of the System Organization shall act ~~with a focus on facilitation of processes~~ with a focus on facilitation of processes."

Paragraph 10.5

- To adopt the best practices of a number of international organizations, it is suggested that the System Organization clearly state its commitment to the transparent recruitment of diverse talent. Proposed additional sentence to add to end of 10.5 is:
 - The Executive Director shall select and manage the staff of the System Office under policies approved by the System Council. The paramount consideration in the employment of staff and in the determination of the conditions of service shall be the necessity of securing the highest standards of quality, efficiency, competence and integrity. There shall be no discrimination on the basis of gender, sexual identity, race, religious belief or nationality in the employment practices of the System Office. (Consortium Office)

- The size of the System Office/Bureau should be consistent with its role and cost efficiency. (Centers)
- Addition: “The System Bureau shall be cost efficient and its size shall be consistent with its facilitating role.” (Centers)

Article 11: Partnership Forum

- A more detailed description of the partnership forum should be added and how it distinguishes from GCARD (conference and a process). This looks more like a refreshed CGIAR Annual Meeting, which will take place every three years. In principle, we should cut down the number of meetings to the minimum. (EIARD)
- In Article 11, we believe the Partnership Forum should have the authority to approve the SRF and not only be a platform to ‘discuss and exchange views’ on the SRF. As it stands the Partnership Forum is of little use to the System as a Forum without serious decision-making role. As presented, such formulation of the Partnership Forum appears to us as duplicating the role of GCARD. This requires clarification. (FAO)

Paragraph 11.1

- There is redundancy in the opening paragraph, which repeats the full definition of Partnership Forum (Definition, “1”.) Also the line “regional”, is either too narrow and needs to be expanded to cover local, regional and global points, or, as suggested below, deleted, and incorporated into the point about foresight (the existing d., that, if the drafting is accepted, would become c.). Suggested redraft is:
 - The Partnership Forum provides stakeholders who actively support the CGIAR System with a forum to express their views on CGIAR’s operations, including:
 - a) proposed CGIAR Strategy and Results Frameworks;
 - b) feedback to the System Council on the implementation of CGIAR Strategy and Results Frameworks; and
 - c) ongoing trends, signals and risks in local, regional and global contexts in science and in the field of agricultural research for development. (Consortium Office)

Paragraph 11.1.c

- This seems untidy in being separated from u which is about the criteria – could all the ‘allocation’ bits not be combined? (ISPC)

Paragraph 11.2

- Drafting suggestion: “The Centers and Funders ~~may~~ will meet in conjunction...” (USAID)
- If this is to be a firm obligation, its important to indicate whose responsibility it is to make sure it happens, etc. Seems inappropriate to impost obligations here on Centers or Funders. (USAID)
- Replace “CGIAR’s” with “CGIAR System’s” (Centers)

Paragraph 11.3

- Need to indicate a mechanism here. For example, Center rep chosen by CSC, and Funder representative chosen by Funders on System Council? (USAID)

- Suggested redraft: “The Partnership Forum shall be convened by the System Counsel or the CSC at least every three years and co-chaired by a representative of the Centers and a representative of the Funders. The Partnership Forum may be convened earlier, if needed.” (Centers)

Paragraph 11.4

- It is suggested that the System Council approve a formal Terms of Reference for each Partnership Forum, setting out an ad-hoc steering committee, the areas of focus, budget envelope and other matters. Suggested re-draft is:
 - Each Partnership Forum will be convened by the System Council according to a Terms of Reference that sets out the modalities of the meeting, the approved budget, and the membership and operations of a steering committee. (Consortium Office)

Article 12: Centers Standing Committee

- In summary, the responsibilities of the System Office, System Council and CSC need to be carefully thought through. The two areas where we had concerns and which should be clarified further was the use of the word “review”: The CSC will review the rules of procedure for the system council and recommendations presented by the SO to the FC. What does that actually mean? What if they review them and then propose changes? Does the SO change its recommendations based on the CSC review? This is not clear. The System Council approves the rules but what does it with the recommendations coming from the CSC? In that respect, we need to take note that the centres are represented on the System Council. The second issue was that the CSC “agree” with the SC the scope of system wide policies to be developed and employed by the SO. What does that mean in reality? We take note that both parties (the SC and CSC) have a legitimate role in defining the scope of system wide policies. We might need a section that sets out how that will happen, which makes clear what we will do if we don’t actually agree and who has the last say. The CSC is not supposed to have the oversight on the System Office and on what the System Office submits to the SC! It also contradicts Article 2, 2.6 (p.4) "The System Organization, Centers and Funders benefits from the advice of the Center Standing Committee, the IAU, the IEA, and the ISPC". The functions described under 12 is beyond advice. (EIARD)
- Addition of a new 12.1: “12.1 The CSC is a committee of representatives of the Centers meeting regularly and serving as a forum to ensure regular and effective operational coordination and as a channel for Centers’ input into policies and processes of the System Organization.” (Centers)
- In Article 12 on the CSC, again we believe the role of such committee should be empowered to plan a coordination role and ensure that Centers are acting together in a coordinated manner and in support of the System Organization. As phrased (“forum”) we believe this is sending the wrong message and is weakening dangerously the role Centers are expected to play in the new envisioned framework. (FAO)
- The Centres Standing Committee is to ‘agree’ on certain things (e.g. 12.1.e, k). Consideration should be given to how this might operate in practice, and the practical ramifications in the event that agreement not be reached. (Australia)
- The draft Framework document is silent on how the Centres Standing Committee is resourced, noting that like the IEA and ISPC it is considered to be an advisory body and unit to the System Organisation (3.2.a). (Australia)

Paragraph 12.1

- It seems strange to us that there is no mention of working with the ISPC on issues such as Foresight and prioritization, development of criteria etc. This has led readers who have not been directly involved in the discussions to feel that there is overlap between the roles of the different bodies. (ISPC)
- ~~out have~~ the following functions responsibilities.” (USAID)
- These edits address the voluntary input vs. advisory responsibilities issue. (USAID)
- “Responsibilities” should be replaced by “function/role” (EIARD)
- The functions of the Centers Standing Committee should be those that ensure regular and effective operational coordination between the Centers and the Centers and other System entities. This should take into account the principle of subsidiarity contained in Guiding Principle 12 and the current conclusions of the Finance WG, Science WG, and Big Picture WG. For example to contribute to the annual performance evaluation of the Executive Director and the System Office/Bureau; to agree on the development of the performance management system for CGIAR research programs; agree with the System Council on the applicable criteria to include or remove Centers to/from the list of recognized CGIAR Research Centers; agree on those areas that will have a direct effect on Centers operations such as the shared services; propose to the System Council the budget allocation for its activities. (Centers)
- The Centers suggested reorganizing the listed functions into three sub-sections: governance, financial and science as seen below:

Governance

- a. serve as a forum to ensure regular and effective operational coordination and consultation among the Centers, and keep under review the collective organizational soundness of the Centers;
- b. discuss, consult with, advise and come to an agreement with the System Council on the areas in which the System Organization would develop system-wide policies, procedures and guidelines and research standards and review such policies, procedures, guidelines and standards as they are developed by the System Bureau, prior to submission to the System Council for approval;
- c. contribute to and come to an agreement with development of the performance management system for CGIAR Research, including common reporting formats and periodicity of reporting;
- d. support the development of, and endorse, proposals for clear guidelines and criteria for prioritization and allocation of funds across CGIAR Research, based on strategy, priorities and performance;
- e. discuss and come to agreement on the areas in which shared services and platforms are to be developed and review proposals on such services and platforms as they are developed by the System Bureau, prior to submission to the System Council for approval;
- f. provide input into the proposed agenda and documents prepared by the System Bureau for meetings of the System Council, prior to submission to the System Council;
- g. review recommendations to be submitted by the System Bureau to the System Council; for those areas that directly affect Center operations, the CSC would also come to an agreement on recommendations that go forward;
- h. review and provide advice on proposed changes in the rules of procedure of the System Council;
- i. raise any concern to the System Council that actions of the System Council or System Bureau are not consistent with this CGIAR System Charter;

- j. perform such other functions with respect to the self-management of the Centers Standing Committee as agreed by the Centers.
- k. Contribute to the annual performance evaluation of the Executive Director;

Finance

- l. coordinate Center input and serve as a channel for consultation with the System Organization in developing CGIAR Strategy and Results Framework, a coherent portfolio of CGIAR Research, and system-level and system-wide resource mobilization plans;
- m. review and endorse the annual system-level programmatic and financial report on CGIAR Research and other activities, prior to its submission to the System Council;
- n. review and endorse/comment on the annual portfolio analysis of the CGIAR research programs, prior to its submission to the System Council;
- o. contribute to the development of, and endorse, a proposal for annual allocation of funds to CGIAR Research;

Science

- p. collate Center contributions to foresight and prioritization activities, drawing on Center-conducted foresight activities, program studies, knowledge of new science and regional developments, and relevant input from Centers' corporate and strategic planning exercises;
- q. support the development of and come to an agreement on criteria and indicators for science quality, relevance and performance;
- r. Facilitate the engagement of Centers with CGIAR System Partners to access information and insight;
- s. Where appropriate, facilitate Centers with research program leaders or independent science committees, as the case may be, to report in a timely and transparent fashion on the monitoring and evaluation framework agreed upon for CGIAR Research.
- t. In consultation with IEA, facilitate Centers and CGIAR Research the planning, design and implementation of program commissioned evaluations;
- u. As requested from time to time by Centers, facilitate Centers and project leaders of CGIAR Research to engage with partners in the design of proposals.
- v. Contribute to determining the feasibility of developing programs to deliver specified outcomes.

[The drafting suggestions for each particular point can be found on page 15-17 at:
<http://cgiarweb.s3.amazonaws.com/wp-content/uploads/2016/03/Joint-Centers-Response-24.3.161.pdf>] (Centers)

Paragraph 12.1.a

- In our view, this captures the rationale why the CSC is being established. Many points under 12.1 expand beyond this convening role. We have not agreed to a CSC as an additional system entity with oversight and governance functions and the CSC should not take over functions which are supposed to be taken up by the System Office. In this regard, 12.1 e needs to be reviewed. The SC will decide on system-wide policies, procedures and guidelines and research standards taking into account the views of the CSC. (USAID)

Paragraph 12.1.d

- It would be good to be consistent in saying that the development and agreement will be 'system-wide'. (ISPC)
- Delete. (USAID)

- This exercise, across scientific disciplines, is unlikely to be productive. (USAID)

Paragraph 12.1.e

- ~~as needed, provide input to agree with~~ the System Council on the areas in which the System Organization ~~may choose would to~~ develop system-wide policies, procedures and guidelines and research standards and review such policies, procedures, guidelines and standards as they are developed by the System Office ~~prior to submission to the System Council for approval;~~” (USAID)
- As noted in comments on the System Council responsibilities, we’re requesting this change. (USAID)

Paragraph 12.1.g

- It would really help to clarify each time who is doing the leading/submitting etc so e.g. here and in h it might be good to say ‘submission by the System Office’. (ISPC)
- replace "review" with "contribute", delete last part ("..., prior to its submission to the System Council") (EIARD)

Paragraph 12.1.h

- replace "review" with "contribute", delete last part ("..., prior to its submission to the System Council") (EIARD)

Paragraph 12.1.i

- Again this lacks clarity – it would be good to have ‘system-wide agreement on guidelines and criteria’. (ISPC)
- Delete. Not an appropriate role for representatives of Centers. (USAID)

Paragraph 12.1.j

- Delete. Not an appropriate role for representatives of Centers. (USAID)

Paragraph 12.1.k

- I would have thought that the CSC could be in the lead on this but it might be good to say who actually is. (ISPC)
- We would like to see these platforms and services to be demand driven, and we would like to see the emphasis placed on using systems rather than developing them. Centers may develop and implement shared platforms and services without agreement or assistance from the System Organization. (USAID)
- To be discussed what that actually means (EIARD)

Paragraph 12.1.l

- Should all active observers not be invited to contribute here? Certainly the ISPC would like to have the opportunity to raise science issues. (ISPC)
- This seems a bit unwieldy. This is requiring the System Office to give the CSC an advance review of proposed agendas and meeting docs? (USAID)

Paragraph 12.1.m

- This could be very wide-ranging and will it not slow everything up? For example, do we submit our recommendations on the CRPs direct to the SC or through the SO – if the latter then ISPC submits to SO who submits to CSC before going to SC – seems rather circular? Also if the CSC disagree with the SO who overrides who? (ISPC)
- This is too intricate and bureaucratic. (USAID)

Paragraph 12.1.n

- Does this mean that ISPC and IEA don't have the same opportunity? (ISPC)
- Delete. This is too intricate and bureaucratic. (USAID)

Paragraph 12.1.o

- As above – should ISPC and IEA not have similar rights? (ISPC)
- Delete. (USAID)

Paragraph 12.1.p

- The Centres Standing Committee self-manages (12.1.p) but is supported by the System Office (10.2.d). It would be desirable to more clearly delineate responsibilities. (Australia)

Paragraph 12.2

- Presumably this [The Centers] means Center Boards so could it not say that? (ISPC)
- This article should be amended to make it consistent with the structure adopted earlier for the System Council. Thus the composition, selection of the Chair/Vice-Chair, meeting requirements, election of Center Representatives to the System Council. Suggested redraft:
 - ~~12.342.2~~ The CSC shall consist of one representative from each Center and its corresponding alternate and shall meet as often as necessary, but at least twice per year in ordinary session.
 - 12.4 The rules of procedure shall provide for the location and arrangements for the conduct of meetings, including convening extraordinary meetings, as well as the manner in which the Chair, the Vice-Chair and the Secretary of the CSC will be elected amongst its members.
 - 12.5 CSC meetings may be held face to face, by video or audio-conference or any other electronic communication medium that allows CSC members to follow and contribute to discussions as they occur in real time.
 - 12.6 The CSC may conduct business only when at least twelve Centers' representatives are present at the meeting.
 - 12.7 The CSC shall use best efforts to make all decisions by consensus.
 - 12.8 If all practical efforts by the CSC have not led to consensus, any member of the CSC seconded by another member of the CSC, may call for a vote. In circumstances where a vote is taken, decision require a majority of the members present during the meeting
 - 12.9 All decisions of the CSC shall be recorded in a summary of the CSC meetings, approved by the CSC and retain in the permanent records of the CSC in accordance with the rules of procedure.
 - 12.10 The rules of procedure of the CSC shall be provided to the System Bureau for public disclosure.

Article 13: Independent Science and Partnership Council

- EIARD has flagged this issue in several positions during previous Fund Council Meetings: what happened to the P in the term ISPC? We fully support the view to ensure good science quality. However, if we want to deliver on the SRF we need more downstream partnerships in addition to research partnerships. This is a view also supported by the centers. Maybe the ISPC is not the right body to deal with it but then we need another arrangement looking after development partnerships and tracking of development indicators as agreed in the SRF. It is not clear who is tracking the delivery of development outcomes and impact. Why is the Standing Panel on Impact Assessment (SPIA) and its role not mentioned? Nothing is mentioned about the hosting arrangements, similar to Article 14.3 of IEA. (EIARD)
- Articles 13 , 14 and 15: who decides on the budgets for the ISPC, the IEA and the IAU? (EIARD)
- The functions of the ISPC should be those required to provide adequate scientific advice to the System Council. This should take into account the Guiding Principles and the current conclusions of the Science WG. For example in the SWG matrix we have 'Lead process for SRF, drawing on and synthesizing Centers' foresight reports and other sources, external data and studies, and commissioning external experts as necessary'; which is diluted in Article 13 a.: “Provide expertise and feedback throughout development of CGIAR Strategy and Results Frameworks”. (Centers)

Paragraph 13.1

- Regarding “appointed by the System Council”: Might be better to be specific since it is Council members who are appointed by the SC (not secretariat) and also mention this in the SC roles. (ISPC)
- Regarding “impartial”: Why introduce a new term? Can we not stick with independent and define it as suggested above i.e. independent of decision-making and implementation? (ISPC)
- Regarding “science matters”: We also have partnership in our title so should say something about that? Science and partnership strategy advisor”? (ISPC)
- Addition: “In its role as science and partnership strategy advisor...” (ISPC)
- An important preliminary observation after a review of the governing documents of other major international funding mechanisms is that it is rare to so fully define the role of ones expert and technical advisory bodies in the main governing instrument. More consistent practice is to identify, as for the Partnership Forum, a broad functional role, and then define in more detail the role of the expert and technical advisory bodies in a Charter or Terms of Reference. The recommendation is therefore to use this approach for the ISPC, IEA and IAA (our suggestion). Suggested re-draft is below, and if adopted, could result in all the detail in Articles 13.2 and 13.3 would also go in the Terms of Reference or Charter:
 - The Independent Science and Partnerships Council (ISPC) is an independent, impartial team of experts appointed by the System Council to serve as its independent advisor on science matters. The ISPC reviews proposals for financial support, makes recommendations to the System Council, and undertakes such other functions as may be directed by the System Council. The purpose, functions and composition of the ISPC shall be as set forth under its Terms of Reference, as approved and amended periodically by the System Council or a committee with powers duly delegated by the System Council. (Consortium Office)

If this proposal is not adopted, then to bring article 13.1 into line with other recommended clarifications in this document (e.g. move to “CGIAR research actions” and not CGIAR research programs) a number of revisions are proposed, to take out some redundancy, but also to pick up some clarifying language from the Task Teams paper to more clearly articulate the role in science quality etc.

Noting also the language of the ISPC’s draft report on strengthening the ISPC, that “*Strategic foresight (including political dimensions) is usually initiated by the Board of an organisation while Scientific Foresight is led by an independent science advisory body*”, and the ISPC chair’s presentation to FC14 highlighted ISPC’s role in scientific foresight, it is recommended that the Framework Document recognize the difference between scientific and strategic foresight. Suggested redraft is:

- a. Provide expertise and feedback throughout development of CGIAR Strategy and Results Frameworks:
 - i. Lead scientific foresight activities;
 - ii. Lead and advise on prioritization of the portfolio of CGIAR research programs, based on insights from scientific foresight exercises and impact assessments, among other sources;
 - iii. Commission studies on topics relevant to strategy development to support Partnership Forum discussions on evolving CGIAR’s strategic direction;
 - iv. Lead and facilitate system-wide agreement on criteria for science quality, relevance and performance; and
 - v. Assess system-wide science infrastructure and skills for excellence;
- b. Provide assurance of science quality and relevance through:
 - i. Independent review of science proposals for CGIAR research actions for excellence and coherence to Strategy and Results Frameworks;
 - ii. Identifying system-wide lessons learned on the consistent management of science quality based on independent reviews of CGIAR research actions, and recommend action to the System Council to address gaps and elaborate upon CGIAR comparative advantage;
 - iii. Convening and brokering science discussions with outside experts and science groups within the CGIAR system;
 - iv. Make recommendations to the System Council on a holistic system-level impact assessment framework and enhancing impact assessment capacity within the system, and take the lead on system-level impact assessments; and
 - v. Comment to System Council on annual research program performance;
- c. Provide overview of strategies for effective partnerships along the research for development continuum;
- d. Enhance linkages between ex-post and ex-ante impact assessments for scientific foresight, quality control, and the benefit of IEA evaluations; and
- e. Provide advice to the System Organization and Centers on internationally accepted research standards (Consortium Office)

- Drafting suggestion: “The ISPC, appointed by the System Council and led by an ISPC Chair, shall be an impartial group of experts to serve as the independent advisor to the System Council on science and research program matters. In its role as science and research advisor, the ISPC shall undertake the following:” (USAID)
- This [“research program”] is especially important. (USAID)
- In item 13.1.e, we believe the ISPC should have a more prominent role on science partnership. (FAO)

Paragraph 13.1.a

- It is not entirely clear to me who is in the lead on developing the SRF? In the Science WG 2 March draft we had Lead the process for SRF under ISPC column. I think we should lead the foresight etc but the SO should lead the writing. (ISPC)

Paragraph 13.1.a.ii

- Deletion: “...programs, based on insights from foresight exercises and impact assessment, among other sources;” (USAID)

Paragraph 13.1.a.iv

- This particular task goes beyond the SRF – indeed precedes the SRF. Could it be first as a and then the SRF activities be b? Ideally we would like the components of d to be part of a as well. (ISPC)

Paragraph 13.1.a.v

- This needs to be qualified – perhaps Assess key system-wide infrastructure and skills relative to SRF priorities. (ISPC)

Paragraph 13.1.c

- Addition: “Provide independent review of each CGIAR research program and platform proposal and recommend action to the System Council;” (ISPC)
- Since we now have initiatives which are not programs we maybe need to expand this though we could leave it vague since platforms may not endure? (ISPC)
- Addition: “...recommend actions and priorities for funding to the System Council;” (USAID)
- This is especially important. (USAID)

Paragraph 13.1.d.i

- This duplicates c? Can we nuance it by using the wording from the Science WG: Through the operation of independent review of research proposals. (ISPC)

Paragraph 13.1.d

- Can we stick with what we agreed in the Science WG which was Analysis of lessons learned from research program evaluations? (ISPC)

Paragraph 13.1.v

- In the Science WG we agreed on: “As appropriate, provide commentary to SC on annual research program performance.” Can we stick with that? (ISPC)

Paragraph 13.2

- This [“...selected by the System Council...”] is not quite true since there is a separate Selection and Nomination Committee – why not be consistent and say appointed by?

- I think it would be better to have the Chair reporting to the SC with more detailed discussions on Work plan and budget etc being held with the SIEC – that is what currently happens and I haven't heard anyone suggest it should be otherwise. (ISPC)
- It is not clear how the ISPC Chair can report 'directly to the System Council through the Strategic Impact and Evaluation Committee' (13.2). Either the position reports directly, or it reports through. (Australia)
- Suggested redrafting: "The Chair of the ISPC shall be selected by the System Council on the basis of merit, in an ~~non-political~~, open and competitive manner. The Chair reports directly to the System Council via its Chair through the Strategic Impact and Evaluation Committee." (USAID)
- This is not direct enough. (USAID)

Paragraph 13.3

- In 13.1 it says appointed rather than approved – it could be either but consistency would be good or have it only once. (ISPC)
- Addition: "Information on the membership of and rules of procedure for the ISPC should be provided to the System Bureau for public disclosure." (Centers)
- In item 13.3, we suggest to highlight the need for the ISPC independence. Proposed change: 'The membership of the ISPC and the roles and responsibilities of the ISPC secretariat and its hosting arrangements shall be approved by the System Council with the aim to ensure its independence.' A similar change is required in 14.3 (FAO)

Article 14: Independent Evaluation Arrangement

- The functions of the IEA should be reviewed in accordance with the Guiding Principles and the current conclusions of the Science WG. (Centers)

Paragraph 14.1

- Addition: "...providing accountability, support to decision-making and lessons through the conduct of independent..." and "In its oversight and advisory role, the IEA shall..." (IEA)
- Addition: add two new bullets after 14.1.a, as follows: (1) "develop, and periodically revisit and revise as necessary, the CGIAR Evaluation Policy to be endorsed by the System Council;", (2) "define and periodically revisit standards and guidelines for CGIAR evaluations;", and (3) "support the development and agreement on criteria and indicators for science quality, relevance and performance;" (IEA)
- The first sentence is incorrect – as the IEA will not be evaluating the Funders, nor themselves, and not the IAA (our suggestion), who are each part of the definition of the "CGIAR System". Then, as for the recommended action for the ISPC, it is proposed that there be a broad statement of the role of the IEA, and there be a TOR or Charter that all the detail go into, particularly because the points for the IEA are a blend of process, and advice as currently drafted. Suggested re-draft for this restated approach is as follows, and it would remove the need for Articles 14.2. and 14.3:

The Independent Evaluation Arrangement is a functionally and operationally independent unit formed under the authority of the System Council to lead and guide objective evaluations in order to provide the CGIAR System with contemporary and cost-effective information on the overall performance of CGIAR research actions. The IEA oversees such evaluations, makes recommendations to the System Council, and undertakes such other functions as may be directed by the System Council. The purpose, functions and composition of the IEA shall be as set forth under its Terms of Reference, as approved and amended periodically by the System Council or a committee with powers duly delegated by the System Council.

If, conversely, the prevailing view is to put considerable detail into the Framework Document, the proposed redraft is as follows:

14.1 The Independent Evaluation Arrangement leads and guides independent evaluations in order to provide the CGIAR System with objective, contemporary and cost-effective information on the overall performance of CGIAR research actions. As requested by the System Council, the IEA shall undertake the following:

- a. Propose for System Council approval a three-year system-wide results based management framework, including objective evaluations of: CGIAR research actions and cross-system themes, the System Organization and its expert and technical advisory bodies, the Centers Standing Committee and Partnership Forum, and the Centers, culminating in a holistic opinion on CGIAR System performance each three years;
- b. Provide learning and evidence from evaluations for the development of CGIAR Strategy and Results Frameworks in a manner that ensures that evaluation information feeds into analysis of what has worked or not, thereby providing proactive, temporal input into decisions about future directions;
- c. Support ISPC's review of proposals for CGIAR research actions based on lessons learned from evaluations and propose accountability and learning frameworks to be included in such proposals;
- d. Report on and advise the CGIAR System on lessons learned from evaluations with a focus on identifying areas for high improvement potential;
- e. Guide and support the CGIAR System to develop and implement a consistent and cost-effective contemporary evaluation culture; and
- f. Facilitate evaluation quality and effectiveness across the CGIAR System;
(Consortium Office)

- Suggested redraft: “The IEA shall be responsible for providing independent, external evaluations of all of the functions and structures of the ~~CGIAR System Organization in particular and the CGIAR research programs Research~~, for the benefit of the System Organization, Centers and ISPC ~~and research managers~~. In its role, the IEA shall undertake the following:” (Centers)
- 14.1 introduces for the first time, ‘research managers’; a category of persons not elsewhere described or defined. (Australia)
- The IEA could usefully perform a function with respect to coordinating the evaluation activities within and across Centres (partially covered under 14.1.f), and sharing of lessons learned. (Australia)

Paragraph 14.1a

- Suggested redraft: “Propose a three-year evaluation work plan, including evaluations of CGIAR Research and research programs, cross-system themes, System Organization, advisory bodies and Centers, culminating in an independent evaluation of the CGIAR System as a whole, for approval by the System Council;”

Paragraph 14.1.g

- Does this refer to in-house evaluation capacity at centers? (USAID)

Paragraph 14.2

- Addition: “...directly to the System Council, operating primarily through the Strategic Impact and Evaluation Committee (SIEC). The Head of IEA shall communicated directly with the Chair of the System Council when circumstances dictate.” (IEA)
- Suggested redrafting: “The head of the IEA reports directly to the System Council via its Chair through the Strategic Impact and Evaluation Committee.” (USAID)
- Seems indirect. (USAID)
- It is not clear how the head of the IEA can report ‘directly to the System Council through the Strategic Impact and Evaluation Committee’ (14.2). Either the position reports directly, or it reports through. (Australia)

Article 15: Internal Audit Unit

- As for the recommended action for the ISPC and IEA, it is proposed that there be a broad statement of the role of the IAA (our suggestion), and there be a TOR or Charter that sets out the full details. This is because there are clear established “model” Charters for an internal audit arrangement that would be appropriate for the CGIAR system. Further, this would enable the full nature of the role to be understood given the very different views that were expressed in the Finance sub-group (although noting that the sub-group working on internal audit was small and not fully representative at all times). Suggested re-draft for this restated approach is below, and would remove the need for Articles 15.2 and 15.3. This approach would require the proposed IAU/IAA Charter or TOR to also be ready as a first draft for the 2 – 4 May meetings between the Funders and Centers, and the same for the ISPC and IEA:

The Internal Audit Arrangement is a functionally and operationally independent unit formed under the authority of the System Council designed to add value by improving system-wide operations, particularly with respect to governance, risk management, and internal controls. The IAA helps the System Council to satisfy its oversight responsibilities by providing advice and recommendations for improving the effectiveness of risk management, control and governance processes, including promoting appropriate ethics and values, and effectively communicating risk and control information to appropriate areas within the CGIAR System taking into account the principle of subsidiarity. Thereby, it contributes to the promotion of a culture of efficient and effective management of CGIAR research actions and the System Organization and its expert and technical advisory bodies. The purpose, functions and composition of the IAA shall be as set forth under its Terms of Reference, as approved and amended periodically by the System Council or a committee with powers duly delegated by the System Council.

If, conversely, the prevailing view is to put considerable detail into the Framework Document, the proposed redraft is as follows. A new 15.3 would also need to be included, as proposed below, to have consistency with the IEA and ISPC:

- 15.1 The IAA is a functionally and operationally independent unit formed under the authority of the System Council designed to add value to the CGIAR System by improving CGIAR financed operations, particularly with respect to governance, risk management, and internal controls. As requested by the System Council, the IAU shall undertake the following:
- a. In consultation with the Centers Standing Committee, the System Office, and the ISPC and IEA, prepare costed system-wide multi-year audit work plans that focus on providing assurance to the System Council on key processes and controls in high-risk areas across CGIAR research actions and key CGIAR Operations, ensuring optimal allocation of responsibilities between Center internal audit functions and the IAA, building on the principle of subsidiarity and the role of Center boards, but also taking into account the essential need for internal audit functions to be located independently from internal Center management functions so that the audit functions are free from undue influence and that objective and transparent reporting and identification of system-wide issues is ensured on matters under the mandate of the System Council;
 - b. Perform such elements of the system-wide rolling three year audit plan as requested by the System Council on an annual basis;
 - c. Manage a joint investigation function and advise the System Council on ethical matters;
 - d. Foster and monitor implementation of a common approach to internal auditing throughout the System based on standards and guidance from the Institute of Internal Auditors;
 - e. Prepare and maintain, in consultation with the Centers Standing Committee, high-level guidelines for the CGIAR System on effective internal audit, including development of an escalation policy;
 - f. Provide and facilitate knowledge sharing through the maintenance of a professional practice unit;
 - g. In consultation with the Centers Standing Committee, provide guidance, technical assistance, back-stop advisory support or internal audit functions to Centers, including assistance in identifying specialists or firms, to carry out independent quality assurance of Centers' internal audit functions;
 - h. Advise the System Council on whether the System Organization and Centers have in place internal audit functions that meet the Institute of Internal Auditors standards, and potential high improvement actions;

The System Council shall approve the hosting arrangements for IAA. (Consortium Office)

- Suggested redrafting of title of Article: “Internal Audit Function Unit” (USAID)
- We have some concerns regarding a permanent internal audit mechanism within the System. Perhaps this can be left open to being procured externally? Some of the edits that follow are in line with this. (USAID)
- The function of the IAU should be reviewed in accordance with the Guiding Principles and the current conclusions of the Finance WG. IAU is has an advisory function, but has not been considered as one advisory bodies in this draft of the Framework Document. Should this be reconsidered? (Centers)

- In Article 15, there is need to clarify who is approving the IEA evaluation reports. Ideally, it should be the SC who approves, while the Partnership Forum should receive a report either from the SC or the IEA on the decisions and implementations of all the evaluations in the three year period. (FAO)

Paragraph 15.1

- Drafting suggestions: “...assurance and advisory service function...” (USAID)
- The following points are anchored in Guiding Principle 13 which states: “A robust performance monitoring system needs to be in place, which includes consolidated reporting at the system-level.”: The System Organization is defined in the Framework as the System Council and the System Office. As such 15.1 (a) and (b) appear to have a problematic construct in that they restrict the Internal Audit function to just the System Council and the System Office. Given that the System Council does not have an executive function, and that the System Office is essentially a support service, this is likely to be an inadvertent drafting error. In actuality we recommend that 15.1 (a) convey that the IAU is responsible for ensuring that all the entities in the CGIAR System have effective internal audit arrangements in place. Similarly, we recommend that 15.1 (b) be about preparing a consolidated annual plan for the internal audit of all the entities in the CGIAR System. (World Bank)
- The following points are anchored in Guiding Principle 13 which states: “A robust performance monitoring system needs to be in place, which includes consolidated reporting at the system-level.”: 15.1 (c), (d) and (i) are included in parenthesis. As the requirements are industry standard and part of the regular functions of an internal audit functional area, it would be useful to understand why the text is still bracketed. (World Bank)

Paragraph 15.1.a

- Drafting suggestions: “Ensure that the System Organization has ~~an~~-effective controls internal audit function in place;” (USAID)

Paragraph 15.1.b

- Deletion: “annual plan for the” (USAID)

Paragraph 15.1.c

- Drafting suggestions: [~~Perform [system-wide] audits of [CGIAR research programs] as requested by the System Council;~~] Review center audits to ensure they meet accepted international standards; (USAID)

Paragraph 15.1.d

- Delete. (USAID)

Paragraph 15.1.f

- Addition: “Prepare, as needed, in consultation...” (USAID)
- Replace “Centers” with “CSC” (Centers)

Paragraph 15.1.g

- Addition: “As needed, provide...” (USAID)

Paragraph 15.1.h

- Delete. (USAID)
- We are wary of the System carrying out this role (and paying for it). (USAID)

Paragraph 15.1.i

- Delete. (USAID)

Paragraph 15.2

- Drafting suggestions: “~~The head of the IAFU~~ shall be selected by the System Office and approved by the System Council on the basis of merit, in an non-political, open and competitive manner. ~~The head of the IAU reports directly to the System Council through the Audit Committee.~~” (USAID)
- Addition: “The roles and responsibilities of the IAU shall be set forth in terms of reference approved by the System Council following consultation with the CSC to ensure consistency with the Guiding Principles and avoid duplication and overlap with the audit functions and accountabilities of Centers and their respective Boards of Trustees.” (Centers)
- It is not clear how the head of the IAU can report ‘directly to the System Council through the Audit Committee’ (15.2). Either the position reports directly, or it reports through. (Australia)

Article 16: Trustee

- Drafting suggestions: “The World Bank ~~There~~ shall be a trustee for funds...” (USAID)
- We assume that the Trustee would always be the World Bank. Is there a reason for not stating that here? Can we flesh this out? Could note the basic principles here. (USAID)
- The basic services to be expected from the Trustee should be included in this article. These services will constitute the basis for drafting the Trustee Agreement between the System Organization and the Trustee, and the Contribution Agreements between the Funders and the Trustee. (Centers)
- Addition: “This trustee shall provide the following services:” (Centers)
- In Article 16 about the Trustee, it is suggested to explicitly indicate that the SC has the authority on deciding which organization should be performing this function. (FAO)

Article 18: Amendment

- This article should provide that any amendment to this Framework Document must be made in accordance with the Guiding Principles. (Centers)

Paragraph 18.1

- A drafting change is recommended to ensure clarity on the need for both Centers and Funders approvals if a material amendment is proposed to the Framework Document, and also to fully capture the spirit that these key conversations would be held at the time of each Partnership Forum as we believe is recommended by the Transition Team. Suggested redraft is:

18.1 This Framework Document may be amended by the System Council at a meeting held in accordance with the provisions of Article 8 of this Framework Document, arising from discussions at a Partnership Forum, and upon the recommendation of:

- a. at least three-quarters of the Centers; and
 - b. the Funders whose contributions in the immediately prior three year period represent not less than three-quarters of all contributions from Funders during that period.
- Deletion: “Centers and” (USAID)

- Not appropriate to require Center consent for Framework amendment. (USAID)
- Replace “recommendation” with “agreement” (Centers)
- Addition: “...three-quarters of all contributions to CRPs/Platforms from Funders during that period.” (Centers)

Paragraph 18.2

- Who will judge whether the amendment is “immaterial” or “inconsequential”? (EIARD)
- Addition : “...or inconsequential, understanding immaterial or inconsequential as those amendments which purpose is to clarify or complete the provisions of this CGIAR System Charter.” (Centers)

Article 19: Dissolution and Liquidation

Paragraph 19.3

- Addition: “...having purposes similar to those of the System Organization or refunded to the CGIAR Trust Fund, as may be determined by the System Council...” (USAID)

Article 20: Transitional arrangement

- Should this section also address other aspects of the transition? What happens to existing documents, agreements and structures? What happens to funding under that existing structure? (USAID)
- Addition of 20.1.c :
 - “c. ToRs of the Chair and Vice-Chair of the System Council will be approved by Centers prior to entry into force of this document.” (Centers)

Annex: Guiding Principles for the Governance of the CGIAR System

- We prefer that this not be an annex to the Framework document and, certainly, do not want it incorporated into the body of the Framework itself. (USAID)
- Addition of the description of important elements in ANNEX:
 - 6. Governance practices across the CGIAR System should engender mutual respect and trust in the value of collaboration. The Centers are recognized as having the experience and capability to ensure effective conduct, delivery and impact of the CGIAR System’s research for development when working in close partnership with external (both national, regional and global) research and development partners, including the private sector. The CGIAR System’s effectiveness depends on strong, dynamic, well managed and well-resourced Centers that can attract and retain the best global talent, conduct impactful research, convene and direct collaborative programs with leading institutions around the world, build upon accumulated “local” knowledge to design programs of research that work in the globally decentralized CGIAR System, and widely share their research results through internet, and at conferences and the field level. Centers and Funders should have adequate voice and influence in the governance of the System Organization.
 - We think the dissemination of CGAIR research achievement and participation to (international) occasions is an important measure to enhance the presence of the CGAIR system. (Japan)

- Addition of the description of important elements in ANNEX:
 - 7. Effectiveness, efficiency, transparency, and impact should be key performance criteria for the CGIAR System. All CGIAR System entities should meet high standards of efficiency, effectiveness, transparency, and value for money. Impacts on the ground should be demonstrable and measureable. With a view to greater local coherence and alignment with national systems, the CGIAR System should strive for greater integration of its activities through joint planning and partnerships as well as through food value chain approach. Policies and procedures to plan, implement, and oversee the CGIAR System should be clear, unambiguous, functional, cost effective, and flexible in order to respond to changing circumstances. Policies and administrative structures should strive for simplicity in promoting the effective and efficient delivery of critical functions while avoiding overlaps and redundancies.
 - (We think food value chain approach is one of the important elements to promote collaboration with other partners including private sectors.) (Japan)

Section 3: [Written comments from the Bill & Melinda Gates Foundation \(BMGF\)](#)

Our internal review team will continue to contribute in-line edits to the Charter (we include some below) as the review process moves forward, but we also want to express a number of higher-level concerns that are not addressed in the current proposal for governance change.

[1] Mis-match in expectations of the System Council. The members of the System Council have not been selected for their ability to govern a large international research system, yet the success of this reform seems to depend on their ability to do so. The powers given to the System Council confuse the role of donors (agenda setting for research, ensuring accountability for impact, etc.) and the much larger body of work required to govern an international research system. The members of the System Council, serve in a very part-time capacity, often as government-appointed representatives, sometimes without technical, managerial or governance expertise in this field. Very few donors have the ability to backstop the position of member of the System Council with the resources and technical expertise needed to make them successful.

We remain concerned that consensus votes by the members of the System Council on the wide range of decisions currently within its mandate (in the draft Charter) are unlikely to result in the level of stewardship required to successfully achieve the following:

- improved resource mobilization and continued strategic expansion of committed donors and funds;
- targeted and more narrow strategic direction linked to high-impact outcomes; mitigation of ongoing risks in the system of, for example, failing infrastructure and challenges in talent acquisition and retention;
- the ability to take tough decisions about organizational inefficiencies in the system;
- strategic consideration of reputation and external communications as an asset;
- improved, strategic management of intellectual assets to meet a new era of public-private engagement in the research, development, and delivery of technologies to poor farmers;
- strategic planning to ensure the continued relevancy of the CGIAR System in a rapidly changing landscape of agricultural research.

The structure of governance we are currently building seems to have a ‘missing middle’ of management that is not filled by the advisory bodies or the System Office.

[2] Longer term viability of the CGIAR System. Building on the above concern, our review team questioned whether the current governance structure proposed can adequately create an environment for the CGIAR System to remain relevant and competitive in the future, or for it to grow and change. The structure strikes us as looking inward and backward, rather than forward and outward to the potential future for the CGIAR. In addition to resource mobilization, there are key issues around infrastructure investment, the ability to partner with private sector partners, the ability to deliver on a targeted research agenda, and, importantly, the acquisition and retention of talent that will determine the success of the CGIAR in the long run. While these issues may or may not be directly a part of the roles and responsibilities of the bodies laid out in this document, they are certainly influenced through the incentives, checks, and balances of the system that is created with this document, and therefore they deserve attention in the discussions of governance.

[3] Prioritization within the CGIAR body of work. The governance structure described in the Charter does not seem to provide sufficient oversight of the prioritization of activities within the CGIAR (ensuring that scarce resources are directed toward areas with the biggest potential impact on the poor). Our review team voiced concerns about oversight for the effectiveness and efficiency of that prioritization, and the

inefficiency of a poorly-targeted, overly expansive research agenda that continues to try to have something for every donor in it. Some governing powers over prioritization in the current draft seem to be within the purview of the ISPC (i.e. prioritization *within* a CRP). Others are left to the System Council in consultation with the Centers Standing Committee (prioritization of the total budget *across* CRPs). Generally, we find insufficient mechanisms in the current structure to satisfy us that appropriate targeting of the research agenda, as well as organizational efficiencies, will result.

[4] Resource mobilization. It is not clear from the Charter how the governance structure has been optimized to address resource mobilization in the future. What incentives will new donors have to invest? Who will provide top-level networking and relationship-building to engage donors. How do the Chair or Co-Chair of the System Council, and the ED of the System Office mobilize resources (do they have the people, expertise, and incentives to raise money at this level)? How will communications from the System (rather than the Centers individually) to donors be resourced and managed to support fund-raising? We note that the Chair and the Co-Chair are critical in this respect, and many other aspects of the functioning of the System. Our review team believes that the discussions around who is eligible for these positions, how they are elected, the length of their terms, their scope of work, and other key details are important to the functioning of the System Organization.

[5] System costs. The current structure includes oversight of the operating costs of the System ‘advisory bodies’ (Centers Consultative Group, IEA, and ISPC), but our review team noted insufficient mention of governance mechanisms to ensure the operating costs of the whole are held to a high efficiency standard – including the System Office, System Council, IEA, ISPC, IAU, and Centers Standing Committee. Additionally, there does not appear to be sufficient attention to managing the costs of CRP governance and Center governance. A key failing in the past reform was to identify the problem of a relatively small research budget governed by 15 boards of directors, and then to create fifteen additional CRP layers of governance on top of fifteen Center Boards, with additional governance at the System level. With the system costs of the Centers Consultative Group, the advisory bodies, the System Council, the System Office, on top of the CRP governance costs, as well as the Center Boards governance costs, we find this structure to be lacking in stewardship of public and philanthropic money funding international agricultural research for development. How will the new governance structure create oversight of these costs?

[6] Replacement of Constitution. Although this Charter is replacing the Constitution by amendment, our review team agrees with the comments in the Centers’ feedback document which highlighted the importance of recognizing the fundamental shift from Centers as members, to Centers as contracted partners. This shift should be consistent with other elements of the governance structure. For instance, consistency in the legal scope of activities subject to System Organization authority in a model which engages Centers contracted partners.

[7] Oversight of IEA, IAU, and ISPC. While recognizing the intention of the current governance structure to provide oversight of ISPC through selection of the Chair, we suggest that this is insufficient oversight. Given the critical role of the ISPC, we believe all members of the ISPC should be elected and approved by the System Council. In addition, clear terms of reference, scope of work, budget, and performance indicators for the ISPC should be agreed upon with the System Council and reviewed regularly, with an oversight function for performance of the ISPC with mechanisms for addressing the possible under-performance of the ISPC as well as the Chair. This can be done in ways that do not compromise the ISPC’s ability to coordinate the delivery of independent reviews on the science of the system. Similarly, oversight of IEA and IAU (including selection of IEA members, terms of reference for IEA, budget, and performance indicators) we

would argue is insufficient in the governance structure presented, with only election of the Chair of those bodies.

[8] Fiduciary responsibility. We continue to support EIARD’s and others’ concerns that the lines of governance laid out in this framework need to sufficiently create clarity in fiduciary responsibility. If the CRPs are to remain the primary mechanism for funding, accountability must rest with the CRP management (or lead Centers), with clear reporting on finances, risks, and results for the Lead Center and all partners receiving CRP resources. We look forward to continued discussions that clarify where these responsibilities lie and which governance mechanisms ensure accountability.

Comments on draft Note to the CGIAR System Charter:

Note to the CGIAR System Charter

The following draft of a *CGIAR System Charter* (renamed from the March 9, 2016, draft of the *Charter* to reflect better that this document captures the agreement between the Centers and their Funders for an approach to, and relations within the CGIAR System, which are greater than the operations of the System Organization) has been prepared by the Transition Team, in collaboration with the Legal Working Group and the “Big Picture” Working Group. Both working groups included experts/representatives from the Centers, the Funders, the Consortium Office, the World Bank, and the Transition Team.

This draft takes into account comments submitted on the *Preliminary Draft of the CGIAR System Charter* dated March 9.

The draft includes bracketed text and footnotes to indicate areas for which there are alternative drafting proposals or to highlight areas that the working groups thought required further in-depth discussion before a consensus could be reached. It should be understood that the footnotes are not expected to be retained in the agreed text of the Charter. The areas that would benefit from further discussion include:

- (a) What is the scope or boundaries of the CGIAR System. As noted in the Co-Chairs Summary of the Meeting of CGIAR Centers and Contributors in February 2016, there are different views on the scope of the authority of the System Organization, in particular with respect to research activities that are funded by bilateral donors and not funded by the CGIAR Trust Fund. Does the Strategy and Results Framework define the boundaries of the System?

BMGF Response. *The System Council should have oversight only over activities financed through the CGIAR Trust Fund. Accountability flows through contractual commitments in exchange for funding. The SRF should not serve as both a strategic document and a legal scope of activities subject to System Organization authority. The CRP proposals, which detail deliverable outcomes in exchange for funding make a better legal scope. If there are more than one kind of common activity instrument (e.g. a “platform”), then the definition could be extended to cover both types. Within the current proposed governance structure, the Centers do not have sufficient incentives to place all of their activities (i.e. those that are ‘directly and indirectly in support of the SRF’) under the oversight of the System Council. However, the System Council should reasonably expect to receive up-to-date*

information on the programmatic and financial performance of all research carried out by the Centers, regardless of the nature of that research or the source of those funds.

- (b) If the SRF defines the System boundaries, does the Council have oversight of all activities that are carried out directly and indirectly in support of the SRF or only oversight of activities financed through the CGIAR Trust Fund? Can the System Council expect to receive information on the programmatic and financial performance of all research carried out by the Centers in support of the SRF, or only information on research funded through the CGIAR Trust Fund?

BMGF Response. See above.

- (c) The draft Charter refers to the approval by the System Council of “policies, procedures, and guidelines” as well as “research standards”. It is recognized that the System Council could usefully adopt a “policy on policies” that defines the scope of each of these terms and clarifies the expected compliance of the Centers. ? Do the policies, procedures and guidelines adopted by the CGIAR System Council also apply to research activities that are funded by bilateral contributors? What happens if the requirements of the System Council differ from those of the Center’s own Board or a bilateral funder?

BMGF Response. We do not agree that the reach of the System Council should extend to bilateral contributors. This is consistent with the principles of subsidiarity. Either the full range of governance challenges of running the Centers are brought to a central governing body (which the current governance model does not support), or they are left to the Centers and the Centers are allowed the breadth of decision-making necessary to mitigate risks and strategically plan for the long-term success of their own research institutes. Currently, the governance structure of the System Council has only part of the governance issues within its scope. This leaves a wide range of other governance to the Center Boards. In order to continue to operate in this model, Centers will need the flexibility to work both ‘inside’ the System (contractually with the CRPs and Platforms) and ‘outside’ the System as their business models require.

- (d) Can the Bogor Decision be revisited with respect to: (i) the merits of electing a Vice-Chair for the System Council with a defined term, and whether such Vice-Chair should be a Council member or alternate or could be an independent person; (ii) the number of Active Observer seats for the Centers; (iii) the provision of an Active Observer seat for the host country of the System Organization; and (iv) representation by FAO as a voting member of the Council?
- (e) What is required for a quorum that would allow the System Council to carry out its business? Should there be a requirement that a quorum include (i) a minimum number of representatives from developing countries, and (ii) representation by Active Observers, in particular, the representatives of the Centers?
- (f) Does the draft Charter provide sufficient assurances to the Funders that will allow them to contribute to the System while recognizing the legal status of the Centers and the principle of subsidiarity? Furthermore, it should be recognized that these oversight responsibilities and accountabilities are expected to be further elaborated in the agreement to be concluded between the System Organization and each Funder.

- (g) Recognizing that the Centers Consultative Group is not formally a part of the System Organization, it is nonetheless viewed as a critical mechanism through which the Centers will strengthen their partnership with the Funders and their participation in the System Council. Given this, should the Centers Consultative Group be administratively supported by the System Administrative Office and can it receive resources from the CGIAR Trust Fund to defray its costs?
- (h) How does the proposal for a Partnership Forum relate to GCARD?
- (i) It is proposed that the terms of reference for ISPC and IEA would be approved by the System Council instead of being included in the Charter so as to allow the terms of reference to more easily be amended in light of changing circumstances and the evolution of the System.

***BMGF Response.** We agree that the Charter should grant the System Council the power to approve and amend the terms of reference.*

- (j) Should internal audit services be provided through a unit within the System Organization or should such services be procured externally? Even if internal audit services are provided through procurement of external services, would there not be a need for an audit officer to support the System Council in overseeing implementation of an audit work plan? It is proposed that terms of reference for the internal audit services would be approved by the System Council.

Centers and Funders are requested in their review of the draft Charter to consider these particular issues.

In-text comments:

Article 3. Composition of the System Council

3.2 The following have the right to participate as Active Observers at System Council meetings:

- a) [Two] [Four] Center representatives to be appointed by the Centers Consultative Group.

BMGF Comment: Support four to ensure sufficient representative voice.

Article 4. Appointment of System Council voting members and alternates

BMGF Comment: While the three year term of an individual is not appropriate (and was deleted from this draft), perhaps there is a need to state: (a) how often the current eligibility requirements of the system council seat selection are recalibrated on new data, and (b) what is the process for the System Council to reconsider the current eligibility and seat selection requirements.

Article 5. System Council Chair [and Vice-Chair]

BMGF Comment: Bogor decision of World Bank to chair. We support the co-chair rather than vice-chair position and strongly support an external independent co-chair. The co-chair will practically provide considerable leadership of the Council members and independence would further the operational

effectiveness of the Council. Additionally, there is significant risk of continuing internal focus of CGIAR, with the risk that the System becomes increasingly irrelevant and not competitive in a changing landscape of international agricultural research.

Article 6. Functions of the System Council

- b) [Oversee the development of, and review and approve each CGIAR Strategy and Results Framework;]

BMGF Comment: We don't support the mixed roles of 'advisory' bodies to the Council being given decision-making mandates. The Council should be approving, other bodies should be recommend to the Council for approval.

ANNEX
PRELIMINARY DRAFT
CGIAR SYSTEM
FRAMEWORK DOCUMENT

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[Note: A coversheet will state that the document is amended and restated and replaces the former CGIAR Consortium Constitution.]

Introduction

1. The Consultative Group on International Agricultural Research was established as a global partnership in 1971. In December 2009, a new framework of overarching principles was agreed between the centers and the funders to give rise to a reformed CGIAR as set forth in the CGIAR Joint Declaration. In 2011, the CGIAR Consortium was established as an international organization pursuant to the agreement establishing the Consortium of International Agricultural Centers as an international organization (“International Organization Agreement”), and operated in accordance with the rules set forth in its constitution. In 2016, the Centers and Funders agreed to establish the CGIAR System Organization and to replace that constitution with this Framework Document, and henceforth for the CGIAR System to operate in accordance with this Framework Document.
2. The purpose of the CGIAR System is to foster a conducive international environment for agricultural research for development and increase CGIAR System relevance and effectiveness within the institutional architecture for international development including the Sustainable Development Goals.

Definitions

In this Framework Document, unless the context otherwise requires:

- a. “Centers” means those independent research organizations that are recognized as CGIAR Research Centers. Currently, the following 15 research organizations are recognized as CGIAR Research Centers: AfricaRice, Bioversity International, Center for International Forestry Research (CIFOR), International Center for Agricultural Research in the Dry Areas (ICARDA), International Center for Tropical Agriculture (CIAT), International Crops Research Institute for the Semi-Arid Tropics (ICRISAT), International Food Policy Research Institute (IFPRI), International Institute of Tropical Agriculture (IITA), International Livestock Research Institute (ILRI), International Maize and Wheat Improvement Center (CIMMYT), International Potato Center (CIP), International Rice Research Institute (IRRI), International Water Management Institute (IWMI), World Agroforestry Centre (ICRAF) and WorldFish. The System Organization may consider criteria and procedures for agreeing upon changes to the list of recognized CGIAR Research Centers.
- b. “Centers Standing Committee” means a committee of the Centers that will serve as a forum to ensure regular and effective operational coordination and as a channel for Center input into policies and processes of the System Organization.
- c. “CGIAR Trust Fund” means the trust fund(s) established for contributions from Funders to provide funding for the activities of the System Organization and for the CGIAR research programs.

- d. “CGIAR research programs” means the research programs and other activities carried out by the Centers and CGIAR System Partners in support of CGIAR Strategy and Results Frameworks.
- e. “CGIAR Strategy and Results Framework” means a document setting forth the common goals, strategic objectives and results to be achieved by the CGIAR System.
- f. “CGIAR System” means the Centers, the Funders, the System Organization, the advisory bodies as set forth in Article 3.2 and the CGIAR research programs carried out in support of CGIAR Strategy and Results Frameworks.
- g. “CGIAR System Partners” means all organizations external to the CGIAR System that support the delivery of CGIAR Strategy and Results Frameworks. They include national agricultural research and extension systems, leading universities and advanced research institutes, policy bodies, global and regional fora, intergovernmental organizations, non-government organizations, private-sector companies, farmers/producers and consumers.
- h. ”Funders” means those entities that contribute funding to Centers or the CGIAR System Organization in support of CGIAR Strategy and Results Frameworks either through the CGIAR Trust Fund or through bilateral contributions.
- i. “Independent Evaluation Arrangement” or “IEA” means the unit that is functionally independent from the System Office and any organization that hosts the unit with the responsibilities set forth in Article 14 in this Framework Document.
- j. “Independent Science and Partnership Council” or “ISPC” means the advisory body appointed by the System Council and supported by the ISPC secretariat that is functionally independent from the System Office and any organization that hosts the secretariat, with the responsibilities set forth in Article 13 in this Framework Document.
- k. “Internal Audit Unit” or “IAU” means the functionally independent unit within the System Office with the responsibilities set forth in Article 15 in this Framework Document.
- l. “Partnership Forum” means a forum for Centers, Funders, the IEA, the ISPC, and CGIAR System Partners to discuss and exchange views about the CGIAR System and CGIAR Strategy and Results Frameworks with the responsibilities set forth in Article 11 in this Framework Document.
- m. “System Council” means the highest decision-making body in the System Organization.
- n. “System Office” means the administrative office that supports the System Organization and facilitates the work of the CGIAR System in fulfilling the mission and goals of CGIAR Strategy and Results Frameworks.

- o. “System Organization” means the governance and, administrative bodies set forth in Article 3.1 that have been created to oversee and facilitate the delivery of CGIAR Strategy and Results Frameworks.

Article 1. Guiding Principles

The Guiding Principles of the CGIAR System are set forth in the annex to this Framework Document and are intended to guide the development of the policies, procedures and guidelines of the System Organization, the operation of the CGIAR System and the interpretation of this Framework Document.

Article 2. Structure of the CGIAR System

- 2.1 The CGIAR System is the world’s leading partnership on research for development of sustainable agri-food systems in developing countries. Its vision is a world free of poverty, hunger and environmental degradation.
- 2.2 The purpose of the CGIAR System is to advance agri-food science and innovation to enable poor people, especially poor women, to increase agricultural productivity and resilience, share in economic growth, feed themselves and their families better, and conserve natural resources in the face of climate change and other threats. The Centers deliver innovative research outcomes within CGIAR Strategy and Results Frameworks based on resources provided by the Funders.
- 2.3 The **Centers** ensure effective conduct, delivery and impact of the CGIAR System’s research for development when working with CGIAR System Partners within CGIAR Strategy and Results Frameworks.
- 2.4 The **Funders** provide financial resources to finance CGIAR research programs.
- 2.5 The **System Organization** facilitates and oversees effective and efficient development and implementation of CGIAR Strategy and Results Frameworks.
- 2.6 The System Organization, Centers and Funders benefit from the advice of the **Centers Standing Committee**, the **Independent Audit Unit**, the **Independent Evaluation Arrangement**, and the **Independent Science and Partnership Council**.

Article 3. Governance and Organizational Structure

- 3.1 The governing and administrative bodies of the System Organization are:
 - a. The System Council
 - b. The System Office

3.2 The advisory bodies and units to the System Organization are:

- a. Centers Standing Committee
- b. Independent Evaluation Arrangement (IEA)
- c. Independent Science and Partnership Council (ISPC)

Article 4. Composition of the System Council

4.1 The System Council shall consist of:

- a. Up to **twenty voting members** as follows:
 - i. up to fifteen representatives of Funders; and
 - ii. five developing country representatives that are either Funders, countries hosting a Center, or countries with significant national agricultural systems.
- b. **Three ex-officio non-voting members** as follows:
 - i. the Chair of the System Council;
 - ii. the Vice-Chair of the System Council; and
 - iii. the Executive Director of the System Office.

4.2 The following shall be active observers to the System Council:

- a. **Two Center representatives** to be appointed by the Centers Standing Committee.
- b. **One representative from the host country of the System Office.**
- c. **One representative from each of the following entities**, provided that if any such entity is a voting member or an alternate of the System Council such entity may not also participate as an active observer in the System Council:
 - i. Food and Agriculture Organization of the United Nations;
 - ii. International Fund for Agricultural Development;
 - iii. International Bank for Reconstruction and Development;
 - iv. ISPC;
 - v. IEA;
 - vi. Global Forum on Agricultural Research; and
 - vii. the trustee of the CGIAR Trust Fund.

4.2 An alternate member may also attend System Council meetings and, if necessary, serve in the stead of their respective member under procedures determined by the System Council.

- 4.3 Active observers shall have the right to participate in discussions of the System Council and to propose agenda items and presentations for System Council deliberations in accordance with the rules of procedures of the System Council.
- 4.4 All System Council participants shall act in good faith in the interests of the System and shall act according to a policy on ethics and conflicts of interest that shall be approved by the System Council.

Article 5. Appointment of System Council voting members and alternates

- 5.1 Every three years each of the two categories of voting members set forth in Article 4.1.a shall determine its process for forming constituencies (which may be comprised of one or more members) and deposit that process with the System Office for public information. Each constituency shall select a member and alternate and shall inform the System Office for public information.
- 5.2 System Council voting members and their alternates shall serve as representatives of their respective governments, organizations, or constituencies. They shall serve on the System Council for three years or such other term that the System Council may decide. A constituency may reappoint its member or alternate to serve a further term.
- 5.3 A vacancy resulting from death, resignation or any other reason shall be filled in the same manner in which the original holder of the position was appointed or selected. Individuals selected or appointed to fill a vacant position shall hold such position for the unexpired term of their predecessor.
- 5.4 System Council members shall not be required to take decisions or actions that conflict with the governing instruments and official rules of the entities they represent.

Article 6. System Council Chair and Vice-Chair

- 6.1 System Council members shall elect a Chair and Vice-Chair. The Chair shall be from a constituency represented on the System Council. The Vice-Chair shall either be from a constituency represented on the System Council or be an external, independent person. The Chair and Vice-Chair shall be impartial and shall not vote in System Council decisions.

- 6.2 To provide for greater continuity, the Chair will be elected for a three-year term, and the Vice-Chair shall be elected for a two-year term, and the rules for appointment, renewal and vacancies will be as set forth in the rules of procedures. In cases where the Chair or Vice-Chair is selected from among the then-current System Council voting members or their alternates, the respective governments, organizations, constituencies or other entities represented by such person shall appoint a new System Council member or alternate, as the case may be, to fulfill the functions of the System Council member or alternate.
- 6.3 The System Council will approve terms of reference for the Chair and Vice Chair.

Article 7. Functions of the System Council

- 7.1 The System Council is the highest governing body of the System Organization.
- 7.2 The System Council shall exercise all powers required to carry out the purposes of the System Organization, including, without limitation:
- a. promote the mission and activities of the System Organization;
 - b. appoint the Executive Director and conduct annual performance review;
 - c. initiate foresight exercises on ongoing trends and risks in science and in the field of agricultural research for development;
 - d. approve strategic priorities, taking into account ISPC's advice on prioritization, to guide development of CGIAR Strategy and Results Frameworks;
 - e. oversee the development of, and review and approve, CGIAR Strategy and Results Frameworks;
 - f. oversee the development of, and approve, system-wide policies, procedures and guidelines for the design and execution of CGIAR research programs;
 - g. approve and oversee a system-level and system-wide resource mobilization plan;
 - h. monitor provision of funding for the system and keep under review the financial status of the CGIAR Trust Fund based on reports from the Trustee;
 - i. approve and oversee mechanisms to stabilize flow of funds, including system-level innovative financing approaches;
 - j. approve CGIAR research programs and endorse the indicative funding for each CGIAR research program;
 - k. approve clear guidelines and criteria for prioritization and annual allocation of funds across CGIAR research programs based on strategy, priorities and performance;
 - l. approve an annual allocation of funds for CGIAR research programs based on the approved guidelines and criteria for prioritization and in accordance with the terms of the CGIAR Trust Fund;
 - m. oversee the implementation of the CGIAR research programs based on annual system-level programmatic and financial reports and independent evaluations, and keep under review the overall performance of the CGIAR System and compliance with system-wide policies, procedures and guidelines;
 - n. approve proposals and funding for shared services and platforms;

- o. agree with the Centers Standing Committee on areas on which the System Organization will develop system-wide policies, procedures and guidelines and research standards and approve such policies, procedures, guidelines and standards;
- p. adopt a system-level risk management framework and escalation procedures, and oversee its implementation;
- q. approve system-level communications and knowledge management strategies;
- r. approve a system-wide evaluation policy, including evaluations of CGIAR research programs and periodic external governance and management reviews of the Centers;
- s. commission periodic independent evaluations of the CGIAR System;
- t. approve rules of procedure for the System Council;
- u. approve consolidated annual work plan and administrative budget of System Organization and advisory bodies;
- v. approve the annual work plan and budget of the Trustee;
- w. appoint the Heads of the IEA and IAU, and the Chair of ISPC, and conduct annual performance reviews;
- x. approve the annual report and financial statements produced by the System Organization; and
- y. establish committees as necessary and appoint the members of such committees.

7.3 The System Council may delegate its powers as it deems appropriate, provided that the System Council may only delegate its approval, adoption and appointment powers to committees of the System Council. Powers delegated by the System Council shall, notwithstanding such delegation, be exercised under the authority and direction of the System Council. All powers not expressly delegated to any other body are reserved to the System Council.

Article 8. System Council operations

Meetings

- 8.1 The System Council shall meet as often as necessary, but not less than twice per year in ordinary session. The rules of procedure shall provide for the location and arrangements for the conduct of meetings, including the convening of extraordinary meetings.
- 8.2 System Council meetings may be held face-to-face, by video or audio-conference or any other electronic communication medium that allows System Council members to follow and contribute to discussions as they occur in real time.
- 8.3 The System Council may conduct business only when the following are present:
 - a. a majority of its voting members, including not less than three of the voting members representing the developing countries;

- b. voting members representing a majority of the contributions from Funders calculated in the manner approved by the System Council from time to time after consultation with the Funders; and
- c. the System Council Chair or Vice-Chair.

Decision-making during a meeting

- 8.4 The System Council shall use best efforts to make all decisions by consensus.
- 8.5 If all practical efforts by the System Council have not led to consensus, any voting member of the System Council seconded by another voting member of the System Council, or whomever of the Chair or Vice Chair is acting as the chair of the particular session, may call for a vote. In circumstances where a vote is taken, decisions require a double weighted majority comprised of:
 - a. a [two-thirds][three-quarters] majority of those System Council voting members present; and
 - b. voting members representing a [two-thirds] [three-quarters] majority of the contributions from Funders calculated in the manner approved by the System Council from time to time after consultations with the Funders.
- 8.6 All decisions of the System Council shall be recorded in a summary of the System Council meetings, approved by the System Council, and retained in the permanent records of the System Organization.

Decision-Making without a meeting

- 8.7 In the circumstances set forth in the rules of procedure the System Council may be requested to approve a decision by electronic means using a no objection procedure in lieu of a meeting. System Council members shall be provided with sufficient background materials and a proposed decision text in such requests. System Council members shall be provided with no less than fourteen (14) calendar days to state an objection. Should an objection be received from any System Council member and not retracted before the deadline for objections, the decision shall not be considered approved. A decision that is not approved can be revised and reissued for decision, or submitted to a meeting of the System Council, at the election of the Chair.

Article 9. System Council Committees

- 9.1 The permanent committees of the System Council shall consist of:

- a. an **Audit Committee**, the purpose of which shall be to assist the System Council to fulfill its corporate governance and oversight responsibilities in relation to external financial reporting, internal control systems, risk management systems, and internal and external audit functions including oversight and remuneration of the external auditor and making recommendations to the System Council on the appointment of the external auditor and the head of the IAU;
 - b. a **Finance Committee**, the purpose of which shall be to assist the System Council in its review and approval of the annual budget and financial reports, oversee the administration, collection, and disbursement of the financial resources, and advise the System Council with respect to significant financial decisions; and
 - c. a **Strategic Impact and Evaluation Committee**, the purpose of which shall be to assist the System Council in its oversight of the strategic direction of the System Organization and ensuring optimal efficiency, effectiveness and impact of the CGIAR research programs through robust evaluation processes and making recommendations to the System Council on the appointment of the Chair of the ISPC and the head of the IEA.
- 9.2 The System Council may establish additional committees of the System Council, and other ad-hoc working groups and task teams, as it deems appropriate to carry out the work of the System Council.
- 9.3 Committees and other ad-hoc working groups and task teams shall have such authorities as is delegated to each of them by the System Council and set forth in their terms of reference. The terms of reference for all committees, working groups and task teams shall include the process for appointment of committee members, including the appointment of qualified individuals other than voting members or their alternates, and attendance at meetings.

Article 10. System Office

Functions

- 10.1 The System Office, headed by the Executive Director, shall be responsible for the day-to-day operations of the System Organization.
- 10.2 Within its responsibilities for managing the day-to-day operations of the System Organization, the System Office shall undertake the following functions:
- a. service the System Council and organize and support meetings of the System Council;
 - b. oversee implementation of System Council decisions;
 - c. maintain strong communication with Centers, advisory bodies and CGIAR System Partners;

- d. support Centers Standing Committee;
- e. coordinate multi-stakeholder process for the development of CGIAR Strategy and Results Frameworks and prepare drafts throughout the process;
- f. develop guidance on CGIAR research program proposal development, in consultation with research program leaders, ISPC and Centers Standing Committee, that reflects agreed criteria and priorities;
- g. coordinate the submission of a portfolio of CGIAR research program proposals for review and approval by the System Council;
- h. provide the System Council with indicative financial analysis of proposed research program budgets based on agreed criteria and priorities;
- i. develop, in consultation with the ISPC and Centers Standing Committee, the performance management system for CGIAR research programs, including common reporting formats and periodicity of reporting;
- j. prepare, in consultation with Centers, an annual system-level programmatic and financial report on CGIAR research programs and other activities, building on information provided by lead Centers and other Centers;
- k. prepare an annual portfolio analysis of the CGIAR research programs;
- l. monitor implementation of recommendations, endorsed by the System Council, arising from evaluations of CGIAR research programs and other activities;
- m. facilitate access to research-based information and knowledge by key countries and multi-stakeholder platforms and to inform high-level policy debates and advocacy work;
- n. develop, in consultation with the Centers Standing Committee, proposals and budgets for shared services and platforms, and facilitate the development of system-wide policies, procedures and guidelines;
- o. develop and implement, in consultation with the Centers and CGIAR System Partners, communication and knowledge management strategies;
- p. promote and manage system-level partnerships and external relations;
- q. develop and facilitate implementation of a system-level and system-wide resource mobilization plan, in consultation with the Centers Standing Committee;
- r. develop and maintain system-level relationships with Funders, including actively engaging with emerging and new donors;
- s. develop proposals for and implement mechanism to stabilize flow of funds, including system-level innovative finance mechanisms;
- t. develop, in collaboration with system advisory bodies, a consolidated annual work plan and administrative budget of the System Organization and advisory bodies;
- u. develop, in consultation with Centers Standing Committee, proposals for clear guidelines and criteria for prioritization and allocation of funds across CGIAR research programs, based on strategy, priorities and performance;
- v. provide an annual financial forecast to Centers and System Council and develop, in consultation with the lead Centers, a proposal for allocating funds to CGIAR research programs;
- w. maintain a repository of information provided by the Centers on the Centers' financial systems and controls that are in place to ensure proper use of funds;

- x. develop, in consultation with the Centers Standing Committee, a proposal for a system-level risk management framework and escalation policies; and
- y. provide the Trustee the information needed for the Trustee to carry out its responsibilities, including transfer of funds for CGIAR research programs in accordance with instructions from lead Centers.

Executive Director

- 10.3 The Executive Director shall be appointed by the System Council, selected on the basis of merit, in a non-political, open and competitive manner. The Executive Director may be appointed to serve a term of four years, which can be renewed once by the System Council.
- 10.4 The Executive Director shall act in his or her capacity as chief executive officer of the System Organization. The Executive Director is responsible to the System Council for the day-to-day management of the System Organization, for the fulfillment of the System Office functions, and for the specific duties and responsibilities assigned to him or her by the System Council in accordance with the Executive Director's terms of reference.
- 10.5 The Executive Director shall select and manage the staff of the System Office under policies approved by the System Council.

Article 11. Partnership Forum

Purpose

- 11.1 The Partnership Forum is a forum for Centers, Funders, the IEA, the ISPC, and CGIAR System Partners to discuss and exchange views about the CGIAR System and CGIAR Strategy and Results Frameworks, including:
 - a. proposed CGIAR Strategy and Results Frameworks;
 - b. feedback to the System Council on the implementation of CGIAR Strategy and Results Frameworks;
 - c. regional knowledge; and
 - d. ongoing trends, signals and risks in the global context in science and in the field of agricultural research for development.
- 11.2 The Centers and Funders will meet in conjunction with the convening of each Partnership Forum, and taking into account those deliberations, may make recommendations to the System Council with a view to enhancing the overall effectiveness and efficiency of the CGIAR System, including in regard to:
 - a. evolving CGIAR's strategic direction;
 - b. strategic actions emerging from evaluations of the CGIAR System;
 - c. funding of the CGIAR System;

- d. amendments to this Framework Document; and
- e. whether the System Organization is operating in accordance with this Framework Document

Meetings

- 11.3 The Partnership Forum shall be convened every three years and co-chaired by a representative of the Centers and a representative of the Funders.
- 11.4 The System Council shall approve a concept note and establish the dates for each Partnership Forum.

Article 12. Centers Standing Committee

Functions

- 12.1 The Centers Standing Committee shall have the following responsibilities:
 - a. serve as a forum to ensure regular and effective operational coordination and consultation among the Centers, and keep under review the collective organizational soundness of the Centers;
 - b. coordinate Center input and serve as a channel for consultation with the System Organization in developing CGIAR Strategy and Results Frameworks, a coherent portfolio of CGIAR research programs, and system-level and system-wide resource mobilization plans;
 - c. collate Center contributions to foresight and prioritization activities, drawing on Center-conducted foresight activities, program studies, knowledge of new science and regional developments, and relevant input from Centers' corporate and strategic planning exercises;
 - d. support the development and agreement on criteria and indicators for science quality, relevance and performance;
 - e. agree with the System Council on the areas in which the System Organization would develop system-wide policies, procedures and guidelines and research standards and review such policies, procedures, guidelines and standards as they are developed by the System Office, prior to submission to the System Council for approval;
 - f. contribute to the development of the performance management system for CGIAR research programs, including common reporting formats and periodicity of reporting;
 - g. review annual system-level programmatic and financial report on CGIAR research programs and other activities, prior to its submission to the System Council;
 - h. review annual portfolio analysis of the CGIAR research programs, prior to its submission to the System Council;

- i. support the development of proposals for clear guidelines and criteria for prioritization and allocation of funds across CGIAR research programs, based on strategy, priorities and performance;
- j. contribute to the development of a proposal for annual allocation of funds to CGIAR research programs;
- k. agree on the areas in which shared services and platforms are to be developed and review proposals on such services and platforms as they are developed by the System Office, prior to submission to the System Council for approval;
- l. provide input into the proposed agenda and documents prepared by the System Office for meetings of the System Council, prior to submission to the System Council;
- m. review recommendations to be submitted by the System Office to the System Council;
- n. review proposed changes in the rules of procedure of the System Council;
- o. raise any concern to the System Council that actions of the System Council or System Office are not consistent with this Framework Document; and
- p. perform such other functions with respect to the self-management of the Centers Standing Committee as agreed by the Centers.

Composition and Meetings of the Centers Standing Committee

- 12.2 The Centers shall determine the membership of and rules of procedure for the Centers Standing Committee, and provide that information to the System Office for public disclosure.

Article 13. Independent Science and Partnership Council

- 13.1 The ISPC, appointed by the System Council and led by an ISPC Chair, shall be an impartial group of experts to serve as the independent advisor to the System Council on science matters. In its role as science advisor, the ISPC shall undertake the following:
- a. Provide expertise and feedback throughout development of CGIAR Strategy and Results Frameworks:
 - i. Undertake foresight activities;
 - ii. Lead and advise on prioritization of the portfolio of CGIAR research programs, based on insights from foresight exercises and impact assessment, among other sources;
 - iii. Commission studies on topics relevant to strategy development;
 - iv. Lead and facilitate system-wide agreement on criteria on science quality, relevance and performance; and
 - v. Assess system-wide science infrastructure and skills;
 - b. Advise System Council on science quality and coherence across the portfolio, analyze gaps and elaborate upon CGIAR comparative advantage;
 - c. Provide independent review of CGIAR research program proposals and recommend action to the System Council;

- d. Provide assurance of science quality and relevance through:
 - i. Independent review of science proposals;
 - ii. Lessons learned from research program evaluations;
 - iii. Convening and brokering science discussions with outside experts and science groups within the system;
 - iv. System-level impact assessment and enhancing impact assessment capacity within the system; and
 - v. Comment to System Council on annual research program performance;
 - e. Provide overview of strategies for effective partnerships along the research for development continuum;
 - f. Enhance linkages between ex-post and ex-ante impact assessments for foresight, quality control, and the benefit of IEA evaluations; and
 - g. Provide advice to the System Organization and Centers on internationally-accepted research standards.
- 13.2 The Chair of the ISPC shall be selected by the System Council on the basis of merit, in a non-political, open and competitive manner. The Chair reports directly to the System Council through the Strategic Impact and Evaluation Committee.
- 13.3 The membership of the ISPC and the roles and responsibilities of the ISPC secretariat and its hosting arrangements shall be approved by the System Council.

Article 14. Internal Evaluation Arrangement

- 14.1 The IEA shall be responsible for providing independent, external evaluations of all of the functions and structures of the CGIAR System, in particular, the CGIAR research programs, for the benefit of the System Organization, Centers, ISPC and research managers. In its role, the IEA shall undertake the following:
- a. Propose a three-year evaluation work plan, including evaluations of CGIAR research programs, cross-system themes, System Organization, advisory bodies and Centers, culminating in an independent evaluation of the CGIAR System as a whole, for approval by the System Council;
 - b. Plan, design and implement evaluations in accordance with the work plan;
 - c. Provide learning and evidence from evaluations for the development of CGIAR Strategy and Results Frameworks;
 - d. Support ISPC's review of CGIAR research program proposals based on lessons learned from evaluations and propose accountability and learning frameworks to be included in such proposals;
 - e. Report on and advise the CGIAR System on lessons learned from evaluations;
 - f. Facilitate evaluation quality and effectiveness across the CGIAR System;
 - g. Establish and regularly convene a CGIAR evaluation community of practice; and
 - h. Review implementation of evaluation recommendations in subsequent evaluations.

14.2 The head of the IEA shall be selected by the System Council on the basis of merit, in a non-political, open and competitive manner. The head of the IEA reports directly to the System Council through the Strategic Impact and Evaluation Committee.

14.3 The hosting arrangements for IEA shall be approved by the System Council.

Article 15. Internal Audit Unit

15.1 The IAU is an independent and objective assurance and advisory function designed to add value to the CGIAR System by improving its operations, particularly with respect to governance, risk management, and internal control. In its role, the IAU shall undertake the following:

- a. Ensure that the System Organization has an effective internal audit function in place;
- b. Prepare an annual plan for the internal audit of the System Organization to be approved by the System Council and implement the approved plan;
- c. [Perform [system-wide]audits [of CGIAR research programs] as requested by the System Council;]
- d. [Manage a joint investigation function and advise the System Council on ethical matters;]
- e. Foster a common approach to internal auditing throughout the System based on standards and guidance from the Institute of Internal Auditors;
- f. Prepare, in consultation with the Centers, high-level guidelines for the CGIAR System on effective internal audit, including development of an escalation policy;
- g. Provide and facilitate knowledge sharing;
- h. Upon request by a Center, provide guidance, technical assistance, back-stop advisory support or internal audit functions to the Center, including assistance in identifying specialists or firms, to carry out independent quality assurance of Centers' internal audit functions; and
- i. [Provide, if requested by the System Council, an audit of the [system-wide] risk management process.]

15.2 The head of the IAU shall be selected by the System Council on the basis of merit, in a non-political, open and competitive manner. The head of the IAU reports directly to the System Council through the Audit Committee.

Article 16. Trustee

There shall be a trustee for funds contributed to a CGIAR Trust Fund. Such trustee shall have the responsibilities agreed between the trustee and the System Organization and the Funders who contribute through a CGIAR Trust Fund, as applicable.

Article 17. Entry into force

This Framework Document shall enter into force upon the amendment to the Constitution of the Consortium of International Agricultural Research Centers in accordance with its terms, but no earlier than 1 July 2016.

Article 18. Amendment

- 18.1 This Framework Document may be amended by the System Council at a meeting in accordance with the provisions of Article 8 upon the recommendation of at least three-quarters of the Centers and Funders whose contributions in the immediately prior three year period represent not less than three-quarters of all contributions from Funders during that period..
- 18.2 Notwithstanding Article 18.1, the System Council may amend this Framework Document at a meeting in accordance with the provisions of Article 8 if such amendment is immaterial or inconsequential.

Article 19. Dissolution and Liquidation

- 19.1 The System Organization may be dissolved if the System Council determines that the System Organization is unable to continue its activities or the existence of the System Organization is not necessary.
- 19.2 The System Council shall consult the Centers and the Funders as well as the States that are parties to the Agreement establishing the System Organization as an International Organization prior to any decision to dissolve the System Organization.
- 19.3 The System Organization shall remain operative for such period as is necessary for the orderly cessation of the System Organization's activities and the disposition of its property. In the case of dissolution, the unencumbered funds of the System Organization, subject to the conditions attached to those funds, shall be distributed to organizations having purposes similar to those of the System Organization, as may be determined by the System Council.

Article 20. Transitional arrangement

- 20.1 Until such time as the agreement establishing the Consortium of International Agricultural Research Centers as an international organization ("International Organization Agreement") is amended to reflect the nomenclature used in this Framework Document and for the purposes of that International Organization Agreement:

- a. all references in this Framework Document to:
 - i. System Organization shall be construed as meaning the Consortium;
 - ii. The System Council shall be construed as meaning the Consortium Board;
and
 - iii. The Centers shall be construed as meaning the Member Centers.

- b. The official legal personality of the organization shall remain the CGIAR Consortium.

ANNEX

Guiding Principles for the Governance of the CGIAR System

Preamble

1. CGIAR is a global partnership first established as the Consultative Group on International Agricultural Research in 1971. It is the world's leading partnership for research for development of sustainable agri-food systems in developing countries. Its vision is a world free of poverty, hunger, malnutrition, and environmental degradation.
2. The CGIAR System has unparalleled capacity to mobilize people, science, resources, and infrastructure in more than 60 countries to build capacity in, conduct and integrate breakthrough research with delivery to millions of farmers and other players in the agri-food system, including consumers. CGIAR's work is undertaken with the proactive engagement of CGIAR System Partners who are interested in collaborating with the CGIAR System to deliver on its research agenda, and/or benefit from the global knowledge, products, and technologies that the system generates.
3. CGIAR regards the results of its collaborative research for development activities as global public goods, and is committed to their widespread diffusion and use in line with the International Treaty on Plant Genetic Resources for Food and Agriculture¹ and the CGIAR Principles on the Management of Intellectual Assets², thus delivering maximum possible access, scale and scope of impact, and sharing of benefits to advantage the poor, especially farmers in developing countries.³
4. CGIAR undertakes its research within a Strategy and Results Framework. Designed at a whole of portfolio level, the Strategy and Results Framework provides a framework for CGIAR research program development, priority setting, and resource development and allocation for successive periods.

Guiding Principles of the CGIAR System

5. **Governance of the System should enable the Centers and CGIAR System Partners to conduct high quality research for development.** The CGIAR System should support

¹ The maintenance of genetic resources is at the very heart of CGIAR's work, such that CGIAR is committed to holding in trust these unique genetic resources for agriculturally significant species of central importance to advance and sustain productivity for the world's smallholders in the 21st century.

² The Principles on the Management of Intellectual Assets set out the Center and Funders' agreed basis for the use and management of Intellectual Assets produced or acquired by CGIAR from its research and development activities, and are incorporated into these principles by reference.

³ CGIAR aims to make available key research-based information and knowledge to inform high-level policy debates and advocacy work in global fora, from the United Nations General Assembly and specialized multilateral channels, to key countries and multi-stakeholder platforms.

national development programs and their commitments to the Sustainable Development Goals in the agri-food sector. Effective governance should focus on strengthening and promoting an effective and efficient research-oriented partnership by creating the framework, incentives, and conditions through which high quality results and impacts can be achieved.

6. **Governance practices across the CGIAR System should engender mutual respect and trust in the value of collaboration.** The Centers are recognized as having the experience and capability to ensure effective conduct, delivery and impact of the CGIAR System’s research for development when working in close partnership with external (both national, regional and global) research and development partners, including the private sector. The CGIAR System’s effectiveness depends on strong, dynamic, well managed and well-resourced Centers that can attract and retain the best global talent, conduct impactful research, convene and direct collaborative programs with leading institutions around the world, and build upon accumulated “local” knowledge to design programs of research that work in the globally decentralized CGIAR System. Centers and Funders should have adequate voice and influence in the governance of the System Organization.

7. **Effectiveness, efficiency, transparency, and impact should be key performance criteria for the CGIAR System.** All CGIAR System entities should meet high standards of efficiency, effectiveness, transparency, and value for money. Impacts on the ground should be demonstrable and measureable. With a view to greater local coherence and alignment with national systems, the CGIAR System should strive for greater integration of its activities through joint planning and partnerships. Policies and procedures to plan, implement, and oversee the CGIAR System should be clear, unambiguous, functional, cost effective, and flexible in order to respond to changing circumstances. Policies and administrative structures should strive for simplicity in promoting the effective and efficient delivery of critical functions while avoiding overlaps and redundancies.

8. **A foundational principle of the CGIAR System is collective responsibility and mutual commitment.** Centers and Funders have a collective responsibility for the performance and results of the CGIAR System. Sustained mutual commitment of both Centers and Funders is essential for fulfilling the mission and goals of the CGIAR System. Centers and Funders should live up to commitments they respectively make.

9. **The CGIAR System requires effective leadership to support the achievement of its objectives and to mobilize financial support for the CGIAR System.** Effective leadership should promote a common vision and coordination of functions to avoid duplication or conflict, ensure clarity, internal complementarity and coherence, and communicate consistent messages with CGIAR System and external partners.

10. **The CGIAR System entities should have clearly defined roles, responsibilities, accountabilities and oversight functions.** The new structure will manage potential conflicts of interest and be most effective if roles, responsibilities, accountabilities and oversight functions

are defined with sufficient precision to be unambiguously interpreted and fulfilled by actors across the CGIAR System. Responsibilities should be assigned to those entities that can most efficiently and effectively fulfill them. The CGIAR System entities should demonstrate accountability to its ultimate beneficiaries.

11. **A fundamental principle of the CGIAR System is that the whole should be greater than the sum of the parts.** CGIAR-wide programs, such as CGIAR research programs and platforms, are especially important mechanisms to achieve this principle, as is the multi-stakeholder nature of system governance. Centers should continue to identify opportunities to collaborate in complementary ways that maximize impact.

12. **The principle of subsidiarity should guide policies and implementation, and overreach must be avoided.** The Centers should be responsible for system functions that can be more efficiently and effectively executed by them and by CGIAR research programs and for the use of funds provided to them. Center Boards have legal, governance and fiduciary responsibilities of their own, and these must be fully recognized and respected. While it is expected that cross-cutting and system-wide policies, procedures and guidelines can facilitate collaboration and an effective and efficient CGIAR System, the System Council decisions should allow Centers and their Boards flexibility to adapt policies, procedures and guidelines appropriate to the needs and conditions of individual Centers while achieving the goals and expected results of such cross-cutting and system-wide guidance. The principle of subsidiarity should also be respected by Centers as they cooperate with CGIAR System Partners.

13. **The CGIAR System should have a strong, visible system profile based on streamlined, system-level monitoring, and impact assessment, and evaluation of programs and performance in relation to the SRF and CRPs.** A robust performance monitoring system needs to be in place, which includes consolidated reporting at the system-level. There should be no redundancy in program and financial reviews and reports. Maximum use should be made of reviews conducted by CGIAR research programs and the Centers so that maximum staff time and resources can be focused on the core business of research for development. The CGIAR System will make use of independent evaluation of its programs and institutions to assess the relevance, quality, development efficiency, effectiveness, impact and sustainability.

14. **Corrective action, when required, should be targeted.** All entities funded by the CGIAR System should be accountable for the proper use of funds provided to them and for compliance with CGIAR System policies, procedures and guidelines applicable to them. Reporting back on compliance monitoring to the System Organization should be through regular reporting and independent system reviews and in accordance with other agreements between the System Organization and the Centers. When deficiencies or malfeasance are identified, corrective/disciplinary action should be directed at the concerned entity. Lessons learned should, however, be employed by appropriate entities to strengthen controls and other mechanisms across the system.

15. **Legitimacy of action requires input from a broad range of stakeholders.** System Organization governance and management structures, including at CGIAR research program level, should facilitate adequate and meaningful participation and voice of CGIAR System Partners, especially with national agri-food knowledge and innovation systems.

16. **Stable and predictable funding contributes to maximizing impact and results. Recognizing that it has not always been possible to ensure predictable funding, the CGIAR System will need to be sufficiently flexible and adaptable to respond to changing circumstances.** Research for development is by nature a long-term process, and the CGIAR System requires sufficient and predictable resources to sustain research and to cover essential Center costs over time, delivered through, to the extent possible, multi-year donor commitments and innovative finance mechanisms. Centers need to have reasonable assurance of a predictable pipeline of cash inflows to optimally plan, form reliable partnerships, and implement strategic long-term research. Discontinuities caused by abrupt funding cuts force costly adjustments, undermine research, devalue the CGIAR brand, and create uncertainties that make it increasingly difficult to attract and retain the world's best scientists. Funding mechanisms and policies that can enhance adaptability or flexibility of the CGIAR System to changing resource streams and volumes should be established to provide greater certainty of support over the short- and medium-term. Centers should have at a minimum accurate and reliable information on annual funding at the beginning of the annual cycle. The System Council must develop and execute a robust Resource Mobilization Plan that fully takes into account the significant resource mobilization capability, infrastructure and incentives distributed across the CGIAR System and seeks to promote synergies, not competition, in fund raising throughout the CGIAR System. To the extent possible, funding mechanisms should be simplified and perverse incentives eliminated.