
CGIAR



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CGIAR System Organization

Preamble

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 April 29, 2010, 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. On July 20, 2012, the CGIAR Consortium obtained 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 a CGIAR System Framework that provides for a System Council and a CGIAR System Organization. The CGIAR System Organization is to be established in accordance with this CGIAR System Charter which will replace the constitution of the CGIAR Consortium.

The purpose of the CGIAR System is to advance agri-food science and innovation to enable poor people, especially women, to better nourish their families, and improve productivity and resilience so they can share in economic growth and manage natural resources in the face of climate change and other challenges.

On [insert date and procedure for amendment] the CGIAR Consortium Constitution has been amended and replaced in its entirety with this Charter of the CGIAR System Organization. The CGIAR System Organization is the successor in title of the CGIAR Consortium and together with the CGIAR System Council, they provide governance to the CGIAR System.

Article 1. Legal Status

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, arrangements and contracts;
- b) to acquire and dispose of movable and immovable property; and
- c) to institute and respond to legal proceedings.

Article 2. Definitions

In this Charter, unless the context otherwise requires:

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- a) “Active Observers” means those entities identified in Articles [6] and which have the right to participate in deliberations of the System Management Board and to propose agenda items and make presentations for such deliberations. An Active Observer does not have a right to vote.
- b) “Centers” means those independent research organizations that are recognized as CGIAR Research Centers contributing knowledge, technical expertise, and resources in support of the CGIAR Strategy and Results Framework. As of the date of agreement of this Charter, 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.
- c) “CGIAR Policy” means a policy that is (i) a strategic, system-wide policy, which is critical to maintaining the reputation of the CGIAR System, proposed by the System Management Board and approved by the System Council, or (ii) adopted by the System Organization in accordance with its procedures for the adoption of CGIAR policies.
- d) “CGIAR Portfolio” means the research programs and/or platforms carried out by the Centers and the CGIAR System Partners in support of the CGIAR Strategy and Results Framework and which are supported by (i) the CGIAR Trust Fund and (ii) bilateral sources contractually aligned to such programs and/or platforms.
- e) “CGIAR Research” means the research carried out by the Centers and the CGIAR System Partners in support of the CGIAR Strategy and Results Framework.
- f) “CGIAR Strategy and Results Framework” means a document setting forth the common goals, strategic objectives and results to be achieved by the CGIAR System.
- g) “CGIAR System” means, when taken together as a collective whole, a reference to the Centers, the Funders, the System Council, the CGIAR System Organization, the advisory bodies to the System Council, and CGIAR Research.
- h) “CGIAR System Charter” means the legal instrument governing the CGIAR System Organization.

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- i) “CGIAR System Framework” means the framework for the CGIAR System agreed by Funders and Centers on June 8, 2016, as the same may be amended from time to time in accordance with its terms. [A copy of the CGIAR System Framework agreed on June 8, 2016 is annexed for information to this Charter.]
- j) “CGIAR System Organization” or “System Organization” means the international organization governed by the CGIAR System Charter, with its organs being the System Management Board and System Management Office.
- k) “CGIAR System Partners” means all organizations external to the CGIAR System that contribute to, or support the delivery of, the CGIAR Strategy and Results Framework. They include national agricultural research and extension systems, universities and advanced research institutes, policy bodies, global and regional fora, intergovernmental organizations, non-government organizations, private-sector companies, farmers/producers and consumers.
- l) “CGIAR Trust Fund” means the trust fund(s) established by the trustee for contributions from Funders to provide funding for the activities of the System Organization and for CGIAR Research.
- m) “Funders” means those entities that contribute funding to Centers in support of the CGIAR Strategy and Results Framework and to the activities of the CGIAR System Organization, either through the CGIAR Trust Fund or through bilateral contributions.
- n) “General Assembly of Centers” means a meeting of all the CGIAR Research Centers as provided for in Article [4.3].
- o) “Independent Evaluation Arrangement” or “IEA” means the functionally and operationally independent service formed under the authority of the System Council to provide accountability, contribute to learning and support decision-making through the conduct of independent, external evaluations in order to provide the CGIAR System with objective, contemporary and cost-effective information on the overall performance of CGIAR Research and the functions and structures of the CGIAR System. The IEA is functionally independent from the System Management Office and the organization hosting the IEA Secretariat.
- p) “Independent Science and Partnership Council” or “ISPC” means a standing panel of experts appointed by the System Council to serve as an independent advisor to the System Council on science and research matters, including strategies for effective partnerships along the research for development continuum. ISPC is functionally independent from the System Organization and the organization hosting the ISPC Secretariat.
- q) “Internal Audit Function” means the arrangements agreed between the System Council and the System Management Board to provide independent and

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objective assurance and advisory services to the System Council and the System Management Board.

- r) “Partnership Forum” means a forum for the CGIAR System and CGIAR System Partners to discuss and exchange views about the CGIAR System and the CGIAR Strategy and Results Framework with the functions set forth in Article [12] of the CGIAR System Framework.
- s) “System Council” means the strategic body addressed in Articles [3-8] of the CGIAR System Framework that keeps under review the strategy, mission and impact and continued relevancy of the CGIAR System and is a decision-making forum between the Funders and the System Organization.
- t) “System Management Board” means the decision-making body of the System Organization addressed in Articles [6-8] of this CGIAR System Charter.
- u) “System Management Office” means the office, led by an Executive Director, that is responsible for the day-to-day operations of the System Organization, the System Management Board and the System Council and facilitates collaboration within the CGIAR System in fulfilling the mission of the CGIAR System and the goals of the CGIAR Strategy and Results Framework.
- v) “Unrestricted Funding” means funding from the CGIAR Trust Fund that has not been designated by a Funder for a specific Center or research program.

Article 3. Collaboration between Centers

The Centers recognize the benefits of collaboration in CGIAR Research in general, and specifically in the CGIAR Portfolio, and working jointly within the CGIAR System Organization to achieve the goals of the CGIAR Strategy and Results Framework facilitated by the System Management Board. The System Management Board will keep under review the effectiveness of the system, its reputation for excellence, and the capacity, skills and organizational structure of the Centers with a view to their collective ability to ensure results and the continued relevancy of agricultural research for development. The System Management Board may recommend to a Center’s Board actions that may be considered to better respond to the evolving challenges of international agricultural research, taking into account any recommendations of the System Council.

3.1 Initial Members of the CGIAR System Organization

The 15 CGIAR Research Centers are the initial members of the CGIAR System Organization.

3.2 Admission of New Centers

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The System Management Board may agree, in consultation with the System Council, to admit and recognize additional research organizations as CGIAR Research Centers, provided that:

- a) With a two-thirds majority vote, existing Centers approve such proposal;
- b) The new Center meets general criteria for recognition established by the System Management Board, in consultation with the System Council; and
- c) Each such new Center agrees formally in writing to be bound by the provisions of this Charter, any and all CGIAR Policies and of the CGIAR System Framework.

3.3 Voluntary withdrawal from Membership in CGIAR

Any CGIAR Research Center may choose to disassociate itself from the CGIAR System Organization by giving at least one year written notice to that effect to the Chair of the System Management Board.

3.4 Termination of Membership in CGIAR

The System Management Board may decide to end the recognition of a Center as a CGIAR Research Center, with the agreement of two-thirds of the other CGIAR Research Centers and in consultation with the System Council, in cases where such Center has failed to:

- a) Comply with funding agreements with the System Organization;
- b) Comply with CGIAR Policies;
- c) Perform adequately in accordance with the CGIAR System's risk management framework; or
- d) Ensure results for the continued relevancy of agricultural research for development under CGIAR Research;

and it has been unable or unwilling to take the necessary remedial actions as determined by the System Management Board in consultation with the System Council.

Any admission, withdrawal or termination of membership of a Center as a CGIAR Research Center shall be formally notified in writing to the Depositary of the Agreement establishing the Consortium of International Agricultural Centers as an International Organization. Such a Center can still be a partner and contribute as such to CGIAR Research.

Article 4. Role of Centers.

4.1 A CGIAR Research Center shall have the following rights in relation to the CGIAR System:

- a) Conduct CGIAR Research and submit proposals for CGIAR Research for consideration and potential funding from the CGIAR Trust Fund;

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- b) Contribute to agenda setting of the CGIAR System including foresight studies, and be involved in reviewing and updating the Strategy and Results Framework and establishing CGIAR Research;
- c) Nominate, for election at the General Assembly of Centers, and in accordance with the process and criteria agreed, candidates for members of the System Management Board;
- d) Select and appoint the System Management Board members in accordance with the applicable rules of procedure;
- e) Propose and approve amendments to this Charter, in accordance with the process stated herein;
- f) Approve the compensation of the members of the System Management Board;
- g) Attend and vote at the General Assembly of Centers in accordance with Article [4.3];
- h) Attend any and all meetings of the General Assembly of Centers and cast its vote thereat;
- i) Retain their own means of funding, including, but not limited to, bilateral funding;
- j) Individually maintain the right to discontinue voluntarily its recognition as a CGIAR Research Center by the CGIAR System Organization by giving at least one (1) year prior notice to allow the orderly transition of activities involving CGIAR Research;
- k) Raise with the System Management Board or with the System Council any concern as to whether the CGIAR System Organization is operating in accordance with this Charter or the CGIAR System Framework;
- l) Receive funding for CGIAR Research;
- m) Participate, at its own discretion and on a voluntary basis, in shared services and other related non-mandatory activities or policies; and
- n) Give input, and if needed vote, at the General Assembly of the Centers, on a mechanism to determine the respective contributions of Centers to cover the operating budget of the System Organization.

4.2. CGIAR Research Centers shall have the following responsibilities:

- a) Act in accordance with this Charter, any and all CGIAR Policies and of the CGIAR System Framework;
- b) Without prejudice to the ability to raise concerns with the System Management Board or the System Council, comply with the resolutions of the System Management Board;
- c) Provide to the CGIAR System Organization all relevant information and support documentation on CGIAR Research, to facilitate the reporting

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requirements as agreed between the System Management Board and the System Council;

- d) Collaborate with the System Management Board and other Centers in all those cases where joint action is needed.
- e) Contribute funding for the operational expenses of the CGIAR System Organization
- f) Perform their best efforts to foster the purpose of the CGIAR System
- g) Participate in the General Assembly of Centers.

4.3 The General Assembly of Centers

The General Assembly of Centers shall be the forum to discuss issues related to the CGIAR System and CGIAR System Organization. The Centers shall meet as often as necessary, but at least once in each calendar year as a General Assembly of Centers.

At a General Assembly of Centers, each Center shall have a single vote. The quorum for a meeting and decision making shall be a two-thirds majority of all the Centers.

The General Assembly of Centers shall be chaired by a Center on an annual rolling basis. The Chair shall set the time, date and place of the meeting, and the System Management Office shall support the organization of the General Assembly meetings.

The General Assembly of the Centers shall include the following functions:

- a) Nominate for election all candidates for members of the System Management Board in accordance with the agreed upon process and criteria;
- b) Elect a Chair;
- c) Approve a mechanism based on a proposal from the System Management Board for determining the contribution of each Center to the operating budget of the System Organization;
- d) Receive the reports of the Chair of the System Management Board and of the Executive Director of the System Organization;
- e) Approve amendments to this Charter; and
- f) Approve the Center representatives to serve as Active Observers on the System Council.

The General Assembly shall have rules of procedure that provide for the location and arrangements to conduct meetings and elaborate, to the extent necessary, on the provisions hereunder. These rules of procedure shall be made publicly available for transparency purposes.

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Article 5. Structure and Governance

The CGIAR System Organization shall be comprised of:

- a) The System Management Board; and
- b) The System Management Office.

Article 6. System Management Board

The System Management Board shall be the governance body of the System Organization.

6.1 Composition of the System Management Board

The System Management Board shall comprise the following nine (9) voting members, as follows:

- a) Seven (7) Center Board members or Directors General, as appointed by the Centers; and
- b) Two (2) independent members, one of which should, whenever possible, be the Chair.

The System Management Board shall appoint a Chair amongst its members.

The Executive Director of the System Organization will serve in the System Management Board as an ex-officio non-voting member.

The process and criteria for the selection and appointment of voting members of the System Management Board shall be defined by the Centers in accordance with the rules of procedure provided under Article [4.3] above. The System Management Board will include at least one expert in organizational management and one expert in financial management.

6.2 Active Observers and other participants to the System Management Board Meetings

The following will be invited by the Chair of the System Management Board as Active Observers at System Management Board meetings:

- a) 1 research program leader from the CGIAR **Portfolio**;
- b) 2 System Council voting members;
- c) 1 representative of ISPC; and
- d) 1 representative of IEA.

The Chair of the System Management Board's Audit and Risk Committee, if that person is not otherwise a member of the System Management Board, and the Trustee

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of the CGIAR Trust Fund may be invited to attend the System Management Board meetings, as may be required from time to time.

All System Management Board members, Active Observers and the Chair of the System Management Board's Audit and Risk Committee shall act in good faith in the interests of the CGIAR System and shall act according to the System Management Board's policy on ethics and conflicts of interest.

The term of office of the System Management Board shall be of three (3) years. Thereafter, new voting members of the System Management Board shall be elected by the Centers every two (2) years at a General Assembly of Centers. In the transition phase terms may be shorter or elections staggered to ensure a gradual replacement of the members of the System Management Board. Members from the Centers' Boards which are members of the System Management Board, when acting at the System Management Board, shall represent the CGIAR System and will not be re-appointed when their term as Center Board members is expired.

Vacancies of the System Management Board due to resignation, incapacity, removal or any other analogous circumstance, shall be filled-in as agreed by the remaining members of the System Management Board in accordance with the provisions of Article [4.3] hereto. Any replacement through a vacancy shall only serve the unexpired term of the replaced member.

Article 7. Functions of the System Management Board

The functions of the System Management Board shall be to:

Vision, strategic direction and advocacy

- a) recommend a process for, and oversee the development of, each CGIAR Strategy and Results Framework approved by the System Council that reflects knowledge from the CGIAR System, involves participatory processes of national, regional and global partners, and includes relevant inputs from Centers' corporate and strategic planning exercises;
- b) contribute to foresight activities led by ISPC on ongoing trends and risks in science and in the field of agricultural research for development. Such foresight activities shall include inputs from Center-conducted foresight activities, program studies and knowledge of new science and regional developments;
- c) submit the proposed CGIAR Strategy and Results Framework to the System Council for approval;
- d) promote adequate and sustainable investment in international research on food, nutrition, agriculture and the management of natural resources;
- e) support and guide the CGIAR System's contribution to the United Nations Sustainable Development Goals and other relevant global initiatives;

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Governance

- f) appoint the Executive Director, in accordance with a process to be agreed with the System Council, and ensure a process for conducting annual performance reviews with input from the System Council;
- g) establish committees as necessary and appoint the members of such committees;
- h) provide input to the System Council on the terms of reference for ISPC and IEA that set forth their purposes and functions;
- i) approve the terms of reference and process for fulfilling the Internal Audit Function, taking into account inputs from the System Council and audit arrangement of the Centers;
- j) ensure the completeness and effectiveness of arrangements for the Internal Audit Function, taking into account the audit arrangements of the Centers and the risk management framework of the CGIAR System;
- k) approve an annual internal audit plan and appropriate funding;
- l) keep under review the capacity and quality standards for internal audits to be undertaken by the Centers in conformity with international audit standards and guidelines, including through external quality assurance to be carried out under the Internal Audit Function;
- m) provide periodic assurance to the Audit and Risk Committee of the System Council that an effective Internal Audit Function is in place that is consistent with the risk management framework of the CGIAR System;
- n) facilitate provision of guidance, technical assistance, and advisory support by the Internal Audit Function when requested by a Center;
- o) select and approve the System Organization's independent external auditor;
- p) approve the System Organization annual audited financial statements and submit to them to the System Council for information;
- q) recommend to the System Council for approval strategic, system-wide policies that are critical to maintaining the reputation of the CGIAR System;
- r) adopt, and monitor compliance with, all necessary CGIAR Policies, procedures, guidelines and research standards for the CGIAR Portfolio, including those referred to in subparagraph (q) above, and take appropriate corrective action when required;
- s) approve and oversee a mechanism to resolve disputes between the System Organization and Centers and between Centers;
- t) recommend a proposal to the System Council for a risk management framework for the CGIAR System (including financial, reputational, legal, regulatory, operational and strategic risks) and escalation procedures;
- u) approve hosting agreements for ISPC and IEA;

Partnership engagement

- v) strategically promote the mission, reputation and activities of the CGIAR System;
- w) promote the active engagement of and collaboration with CGIAR System Partners in the delivery of each CGIAR Strategy and Results Framework;
- x) convene, set objectives for and consider outcomes from partnership meetings organized by the CGIAR System;

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Resource mobilization

- y) oversee the development and implementation of proposals for resource mobilization and strategic expansion of funding at the system level, including innovative financing approaches and mechanisms to stabilize flow of funds;
- z) monitor provision of funding for the CGIAR System and the financial status of the CGIAR Trust Fund based on information from the Trustee;
- aa) authorize the System Management Office to mobilize resources for the System Organization from sources other than Funders and Centers when determined to be consistent with the purpose of the CGIAR System;

Financial and programmatic performance

- bb) recommend to the System Council guidelines and criteria for prioritization and for annual allocation of Unrestricted Funding across **CGIAR Research** based on strategic priorities and performance;
- cc) recommend to the System Council proposals and indicative funding requirements for the **CGIAR Portfolio**;
- dd) provide annually to the System Council work programs and financing plans on **CGIAR Research** and seek the Council's strategic guidance ;
- ee) recommend to the System Council the allocation of Unrestricted Funding for CGIAR Research;
- ff) **recommend to the System Council a proposal for the means by which CGIAR System costs shall be met, recognizing the separation of responsibility for CGIAR System costs between the System Council and System Organization, and recommend a plan for funding operations of the System Council, its support entities, the cost share of the System Management Office and other CGIAR System entities;**
- gg) approve annual work programs and budgets for the System Organization, including the allocation of costs between the System Council and the Centers, recognizing that such work programs and budgets will also be approved by the System Council;
- hh) recommend a proposal to the System Council for an integrated framework for a performance management system for CGIAR Research developed by the System Management Office in coordination with other system entities;
- ii) review the annual portfolio analysis and program reports on the **CGIAR Portfolio** prepared by the System Management Office and propose to the System Council strategic actions to ensure results and continued relevancy;
- jj) taking in account feedback from the System Council, approve the annual portfolio analysis and program reports;
- kk) review an annual report from the System Management Office on external relations and outreach prior to its submission to the System Council;
- ll) provide recommendations to the System Council on strategic action to ensure results and continued relevancy of agricultural research for development;
- mm) recommend for approval by System Council CGIAR system-wide formats for, and periodicity of, financial reporting for the **CGIAR System** that accords with internationally recognized financial reporting standards;

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- nn) review and submit to the System Council the consolidated system-level annual financial and programmatic reports on CGIAR Research, and taking into account feedback from the System Council, approve the reports;
- oo) ensure corrective action is taken in accordance with the funding agreements with Centers and the risk management framework and inform the System Council accordingly;
- pp) oversee the implementation of the **CGIAR Portfolio** in accordance with the integrated framework for a performance management system and risk management framework;
- qq) oversee the use of Unrestricted Funding and research program-specific funding from the CGIAR Trust Fund for the implementation of CGIAR Research in accordance with the performance management system and risk management framework;
- rr) approve system-wide shared services that enhance effectiveness and efficiency **and agreements with Centers for provision and financing of such services;**

Evaluation

- ss) coordinate with Center Boards and IEA plans to periodically commission governance and management reviews of Centers to complement the evaluations of the **CGIAR Portfolio** and submit such plans to the System Council for endorsement;
- tt) review IEA evaluations of the **CGIAR Portfolio**, functions and structures and provide comments to the System Council for its consideration;
- uu) coordinate a management response to the System Council on IEA periodic (8-10 years) independent evaluations of the effectiveness of the CGIAR System to deliver on CGIAR's vision and mission;
- vv) review plans for, and financing of, ex-post impact assessment of the **CGIAR Portfolio** proposed by the ISPC and provide comments to the System Council for its consideration; and
- ww) in consultation with the System Council work toward cost-effectiveness and complementarity in the overall system of evaluations and reviews at all levels.

The System Management Board shall exercise such other functions as decided by the General Assembly of the Centers to the extent that these are not conflicting with the foregoing.

Article 8. System Management Board operations

8.1 Meetings

The System Management Board shall meet as often as necessary, ideally on a quarterly basis, but in any case not less than twice per year in ordinary session. The rules of procedure of the System Management Board shall provide for the location and arrangements for the conduct of meetings, including the convening of extraordinary meetings.

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System Management Board meetings may be held face-to-face, by video or audio-conference or any other electronic communication medium that allows System Management Board members to follow and contribute to discussions as they occur in real time.

The System Management Board may conduct business only when the following are present:

- a) No less than five (5) members from the Centers;
- b) No less than one (1) independent member; and
- c) The Chair of the System Management Board or a temporary Vice-Chair appointed by the Chair to replace her/him, if needed.

8.2 Decision-making during a meeting

The System Management Board shall use best efforts to make all decisions by consensus. The Chair shall use best efforts to ascertain a consensus after consultation with other members of the System Management Board. For purposes of this Charter, consensus is a procedure for adopting a decision when no voting member in the decision-making process formally objects to a proposed decision or calls for a vote. It does not necessarily imply unanimity. A dissenting voting member, who does not wish to formally object to a decision, nor call for a vote, may provide her/his observations by attaching a statement or note to the decision.

If all practical efforts by the System Management Board have not led to consensus, a vote may be called by any voting member of the System Management Board seconded by another voting member of the System Management Board

The Chair shall determine, after consultation with the members of the System Management Board, the timing for a vote. In circumstances where a vote is taken, decisions require an affirmative vote representing a two-thirds majority of those System Management Board voting members present

All decisions of the System Management Board shall be recorded in a summary of the System Management Board meetings approved by the System Management Board, communicated, published and retained in the permanent records of the CGIAR System Organization.

8.3 Decision-Making without a meeting

In the circumstances set forth in the rules of procedure, the System Management Board may be requested to approve a decision by electronic means using a no objection procedure in lieu of a meeting. System Management Board 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 Management Board their concerns on such decision within seven (7) calendar days following receipt of the background materials and proposed decision text. System Management Board members shall be provided with no less than fourteen (14) calendar days to state an objection. Should an objection be received from any System

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Management Board 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 resubmitted for consideration by the System Management Board, at a meeting or electronically, at the decision of the Chair.

8.4 Closed sessions

At the determination of the Chair, the System Management Board may conduct business in a closed (executive) session where the voting members and ex-officio non-voting members may be present unless the Chair decides otherwise. Active Observers may be invited to attend the closed session unless the Chair decides otherwise. The Chair may invite others to attend as appropriate in the circumstances. 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 CGIAR System.

8.5 Committees

The System Management Board may establish committees of the System Management Board, and other ad-hoc working groups and task teams, as it deems appropriate to carry out its work.

The System Management Board shall have the following standing committees:

- a) an **Audit and Risk Committee**, the purpose of which shall be to provide the System Management Board with independent assurance of adequate internal audit capacity, system-wide governance, risk management and internal controls; and
- b) a **Strategic Impact, Monitoring and Evaluation Committee**, the purpose of which shall be to assist the System Management Board in the review of research program evaluations, oversight of the strategic direction of the CGIAR System Organization and efficiency, effectiveness and impact of the CGIAR Research according to a robust and rigorous results based management framework.

Committees and other ad-hoc working groups and task teams shall have such authorities as delegated to each of them by the System Management Board 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 or representatives other than voting members or their alternates, and attendance at meetings. Such terms of reference shall be reviewed every three years, as applicable.

Article 9. Center Compliance with System Management Board Decisions

In the event that a Member Center does not fulfill its responsibilities as described in Article [4], or is not compliant with a decision of the System Management Board made within the scope of the System Management Board's functions as described in Article [7], the System Management Board may take such actions as it deems appropriate,

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within the parameters described herein, in consultation with the System Council. In any such case, the first action of the System Management Board shall be to consult with the Center's Board to discuss necessary remedial actions. The System Management Board shall allow reasonable time for the completion of remedial actions. If the two parties cannot agree, steps and procedures outlined in the dispute resolution mechanism approved by the System Management Board shall be followed.

Where the failure of a Center to fulfill its responsibilities relates to its performance in **CGIAR Portfolio**, the action that may be taken by the System Management Board may include taking corrective actions as provided under funding agreements with Centers, as well as suggesting to the System Council to exclude such Center from the funding of CGIAR Research, and/or the withholding of current funding under the **CGIAR Portfolio** concerned in accordance with applicable agreements and/or request termination of membership in CGIAR in accordance with Article [3.4] hereto.

Where the failure of a Center relates to other matters, and the Center's Board is unable or unwilling to take the necessary remedial actions, the action that the System Management Board may take, may include:

- a) recommending to the System Council, the exclusion of the Center from consideration for future funding;
- b) withholding current funding (to the extent allowable within any applicable agreements or contracts); or
- c) Request termination of membership in CGIAR in accordance with Article [3.4].

The System Management Board may not withhold a Center's right to secure funds outside the CGIAR Trust Fund or any other Center rights not conferred by virtue of membership in the System Organization. The System Management Board also may not withhold a Center's right to discontinue membership voluntarily nor may it withhold a Center's rights in participating to the General Assembly of Centers so long as the Center is recognized as a CGIAR Research Center.

Article 10. System Management Office

The System Management Office, headed by the Executive Director, shall be responsible for the day-to-day operations of the System Organization, and shall undertake the following functions:

Vision and strategic direction

- a) coordinate the development of CGIAR Strategy and Results Framework and support the drafting process;

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Governance and compliance

- b) support the System Council and the System Management Board, and organize and support their respective meetings, and meetings of their committees, ad hoc working groups and task teams;
- c) monitor implementation of System Council and System Management Board decisions;
- d) 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;
- e) develop, in consultation with the Centers, a proposal for a risk management framework for the CGIAR System (including financial, reputational, legal, regulatory, operational and strategic risks and escalation procedures);
- f) coordinate the development of a proposal for the terms of reference and process for fulfilling the Internal Audit Function for submission to the System Council for review and input and subsequently to the System Management Board for approval;
- g) provide the trustee the information needed for the trustee to carry out its responsibilities, including instructions for transfer of funds for CGIAR Research;
- h) develop, in consultation with the Centers, proposed policies, procedures, guidelines and research standards for the **CGIAR Portfolio**;
- i) develop a proposal for a mechanism to resolve disputes between the System Organization and Centers and between Centers and monitor implementation;

Partnership engagement, resource mobilization and advocacy

- j) strategically promote the mission, reputation and activities of the CGIAR System;
- k) in collaboration with Centers, create, develop and expand system-level partnerships to strengthen support for the CGIAR System's mission and capacity to deliver on CGIAR Research;
- l) develop and implement, in consultation with the Centers, proposals for resource mobilization and strategic expansion of funding at the system level, including innovative financing approaches and mechanisms to stabilize flow of funds;
- m) develop and maintain relationships with Funders for funding CGIAR Research;
- n) when authorized by the System Management Board, mobilize funding for the System Organization from sources other than Funders and Centers;
- o) organize and prepare for meetings of the Partnership Forum and other system-level partnership meetings in collaboration with the Active Observers and CGIAR System Partners;
- p) communicate the role of the CGIAR System and carry out advocacy in international political and policy fora related to food, nutrition, agriculture and the management of natural resources;
- q) collate knowledge management products as part of system-wide science communication strategy (in collaboration with Center communicators);
- r) maintain strong collaboration and communication with Centers, the System Council's advisory bodies and CGIAR System Partners;

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- s) negotiate necessary contractual agreements to which the System Organization is a party;

Financial and programmatic performance

- t) develop a process for and guidance on the CGIAR Portfolio proposal development, in consultation with ISPC and Centers;
- u) coordinate, in accordance with the agreed process, the submission of the CGIAR Portfolio proposals and indicative funding for review by the System Management Board prior to its submission to the System Council;
- v) coordinate the annual submission of work programs and financing plans for CGIAR Research to the System Management Board;
- w) develop, in consultation with the Centers and for review by the System Management Board, a proposal for the means by which system costs shall be met;
- x) develop, in collaboration with the System Council's advisory bodies, their annual work programs and budgets for approval by the System Council;
- y) develop an annual work program and budget for the System Organization for approval by the System Management Board and the System Council. [In developing the work program and budget, the Executive Director shall consult with the Chairs of, respectively, the System Council and the System Management Board to determine the allocation of costs to be funded by the Centers, costs to be funded by the System Council, and costs to be shared by the System Council and the Centers];
- z) develop, taking into account the advice of ISPC and input from the Centers, a proposal for guidelines and criteria for prioritization and annual allocation of Unrestricted Funding across the CGIAR Portfolio, based on strategic priorities and performance;
- aa) provide an annual financial forecast on availability of Unrestricted Funding and research program specific funding from the CGIAR Trust Fund and develop, taking into account advice from ISPC and input from the Centers, a proposal for allocating Unrestricted Funding;
- bb) prepare proposals and budgets for shared services that enhance effectiveness and efficiency and agreements with Centers for provision and financing of such services for submission to the System Management Board;
- cc) prepare, in consultation with the Centers, the consolidated system-level annual financial and programmatic reports on CGIAR Research, building on information provided by Centers;
- dd) prepare an annual report on external relations and outreach;
- ee) monitor and report on the implementation of the risk management framework;
- ff) initiate corrective action as directed by the System Management Board in accordance with funding agreements with the Centers and the risk management framework;
- gg) prepare a proposal for CGIAR system-wide formats for, and periodicity of, financial reporting for CGIAR Research that accords with internationally recognized reporting standards.

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Performance management

- hh) lead a consultative process with the ISPC and other CGIAR System entities for the development of an integrated framework for a performance management system for CGIAR Research that provides feedback on progress and results and contributes to decisions on the allocation of resources;
- ii) monitor the implementation and use of Unrestricted Funding and research program specific funding from the CGIAR Trust Fund in accordance with the agreed integrated framework for performance management;
- jj) prepare an annual analysis of the **CGIAR Portfolio** in consultation with the Centers, using an integrated set of criteria developed by the ISPC and the System Council;

Evaluations

- kk) coordinate preparation of a management response to the System Council on system-wide evaluations; and
- ll) monitor implementation of decisions arising from evaluations of **CGIAR Research**.

Article 11. Executive Director

The Executive Director shall be appointed by the System Management Board, selected on the basis of merit, in an 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 Management Board.

The Executive Director shall act in his or her capacity as chief executive officer of the System Organization. The Executive Director shall serve as one of the major public faces of the CGIAR System, reaching out to stakeholders of all regions, to drive progress toward the goals of the CGIAR Strategy and Results Framework.

Concurrently, the Executive Director is responsible to:

- a) the System Management Board for the day-to-day management of the System Organization, for the fulfillment of the System Management Office functions, and for the specific duties and responsibilities assigned to him or her by the System Management Board in accordance with the Executive Director's terms of reference and decisions of the System Management Board; and
- b) the System Council for the specific duties and responsibilities assigned to him or her by the System Council, in coordination with the System Management Board, in accordance with the Executive Director's terms of reference and decisions of the System Council.

The Executive Director shall select and manage the staff of the System Management Office under policies approved by the System Management Board, taking into account cost efficiency and the role and functions of the System Management Office.

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Article 12. Funding of the CGIAR System Organization

Funding of the CGIAR System Organization shall be made in accordance with the work plan and budget prepared by the System Management Office and approved by the System Management Board and the System Council. Funding shall include:

- a) Funding from Funders through the CGIAR Trust Fund, as approved by the System Council;
- b) Funding from Centers, in accordance with the mechanism agreed by the General Assembly of Centers; and/or
- c) Funding from other sources as approved by the System Management Board and determined to be consistent with the purpose of the CGIAR System.

Article 13. Amendments

Amendments to this Charter may be proposed to the System Management Board, by any member of the System Management Board, by any member of the System Council or by any Center.

Amendments to this Charter shall be adopted by the System Management Board, with the approval of two-thirds majority of Centers at the General Assembly of Centers and the System Council.

Article 14. Dissolution

The System Management Board, in consultation with the System Council, may determine that the CGIAR System Organization is no longer able to function effectively, and may adopt a resolution dissolving the CGIAR System Organization.

The States that are parties to the Agreement establishing the Consortium as an International Organization shall also be consulted prior to any decision to dissolve the CGIAR System Organization.

The CGIAR System Organization shall remain operative and not be dissolved until such time as the dissolution has been agreed to in accordance with this Charter and the CGIAR System Framework and for such an additional period as might be necessary for the orderly cessation of the CGIAR System Organization's activities and the disposition of its property.

In case of dissolution, the unencumbered funds of the CGIAR System Organization, subject to conditions attached to these funds, shall be returned to the original donors, or with the original donors' agreement distributed to organizations having purposes similar to those of the CGIAR System Organization.

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Other net assets of the CGIAR System Organization shall be distributed to the Centers or to organizations having purposes similar to those of the CGIAR System Organization, as may be determined by the System Management Board.

Transitional arrangement

This Charter shall be effective on July 1, 2016, following: (a) its approval by the Centers and Funders as reflected in the decisions of their meeting in June 2016, and (b) its approval as an amendment to the Constitution of the Consortium of International Agricultural Research Centers in accordance with its terms.

Until such time as the International Organization Agreement is amended to reflect the nomenclature used in this CGIAR System Charter and for the purposes of that International Organization Agreement, all references in this CGIAR System Charter to:

- a) System Organization shall be construed as meaning the Consortium;
- b) The System Management Board shall be construed as meaning the Consortium Board; and
- c) The Centers shall be construed as meaning the Member Centers.