

# 1<sup>st</sup> CGIAR SYSTEM COUNCIL MEETING

12 July 2016

Paris, France

## ANNOTATED DRAFT PROVISIONAL AGENDA

Tuesday, 12 July 2016 (OECD Conference Center, Salle CC7, Level -1)

Agenda Item 1: Opening Session

FOR ADOPTION

08:45 – 09:00 am

**\* Supporting document(s):**

SC1-01: Draft Preliminary Agenda, 6 July 2016

*As a matter of record, the System Management Office notified the Acting Chair that a quorum is present to conduct meeting business according to Article 7.3 of the CGIAR System Framework ("Framework"), and based on attendance at the opening of the meeting.*

**Juergen Voegele** will open the meeting pursuant to the invitation made during the meeting of the CGIAR System's Funders and Centers on the CGIAR System, Washington, D.C. on 6-8 June 2016, for the Acting Chair of the Fund Council to serve as the Acting Chair ("Acting Chair") of the System Council until such time as the System Council elects its Chair.<sup>1</sup>

**Madame Anne-Marie Descôtes**, Director General of Globalization, Culture, Education and International Development, within the Ministry of Foreign Affairs and International Development will address the meeting in her capacity as official representative of the Host Country of the CGIAR System Organization.

**A Co-Chair will be nominated** and elected for the meeting pursuant to Article 5.2 of the Framework. Pursuant to Articles 3.1. (b) and 5.3 of the Framework, both the Chair and Co-Chair of the System Council serve as impartial, ex-officio non-voting members. The Co-Chair, upon appointment into that role, will be invited to nominate a temporary alternate to fulfil his/her functions as a System Council member during the meeting for which the Co-Chair has been elected, pursuant to Article 5.4 of the Framework. There is no requirement that such a nomination be made. However, if not, the voting seat remains empty during the course of the absence.

The Acting Chair will ask if there are requests for any other business for inclusion in the meeting agenda, and then call for adoption of the draft Preliminary Agenda as the formal agenda for the meeting. System Council members should reveal any conflict of interest regarding agenda items for the 1<sup>st</sup> System Council meeting.

**Action Requested:** The System Council is invited to:

- 1. Adopt the meeting agenda and**
- 2. Elect a meeting Co-Chair.**

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<sup>1</sup> Refer paragraph 9 of the document 'The Co-Chairs Summary of the Meeting of CGIAR Centers and Funders on the CGIAR System, Washington, D.C. June 6-8, 2016',

**Agenda Item 2: System Council Chair TOR and appointment FOR DECISION**

09:00 – 09:30 am

**\* Supporting document(s):**

*SC1-02: Adoption of Terms of Reference for System Council Chair*

The **Co-Chair** will frame the session by drawing upon the former Fund Council’s deliberations at its 13<sup>th</sup> meeting in Bogor, Indonesia in April 2015, and Article 5 of the Framework, the latter of which records the standing invitation to the World Bank to nominate a senior manager to serve as the System Council Chair (“Chair”), and that the World Bank has accepted to nominate the inaugural Chair. The Co-Chair will table the proposed ‘Terms of Reference for the System Council Chair’, as prepared by the Transition Team (document SC1-02). The World Bank System Council member will respond to any questions on the World Bank’s requirements for any Terms of Reference where a senior officer serves on a governing body outside of the World Bank’s own legal arrangements.

The Co-Chair will call for the approval of the Terms of Reference (“Chair TOR”) pursuant to Article 5.5 of the Framework. Subject to approval of the Chair TOR, the Co-Chair will invite the World Bank member to confirm the World Bank’s agreement pursuant to paragraph 5.f) of the Chair TOR.

The Co-Chair will also call for approval of the appointment of the World Bank nominee as the System Council Chair (“Chair”). Upon receipt of the nomination, the Co-Chair will call for approval of that appointment for a term of 4 years with immediate effect, pursuant to Article 5.1 of the Framework.

**Action Requested:** The System Council is invited to:

- 1. Approve the Chair TOR;**
- 2. Invite the World Bank member to nominate the Chair;** and
- 3. Approve the appointment of the Chair.**

**Potential decision text:** *The System Council is invited to review, and if considered appropriate, take the following decisions:*

**DP1:** *The System Council approves the Terms of Reference for the CGIAR System Council Chair as set out in the paper presented to the 1<sup>st</sup> System Council meeting [as amended].*

**DP2:** *The System Council accepts the World Bank nomination and approves the appointment of [name], a senior member of the World Bank, to serve as the inaugural System Council Chair for a four-year term with immediate effect.*

Agenda Item 3:

FOR DISCUSSION

Reflecting on expectations for the future of CGIAR

09:30 – 10:30 am

The **Chair** will lead what is intended to be a round-table discussion on the expectations for the future of CGIAR research now that reform course-corrections have been put in place following the transition to the revised CGIAR System, with the core elements of: (i) the System Council; and the (ii) the CGIAR System Organization, comprised of the System Management Board, and the System Management Organization.

The **objective** is to capture areas for System Council focus and/or action to deliver on its role as the strategic decision-making body of the CGIAR System. The session will run in two parts, as follows:

**Part 1** - Drawing on the high-level guidance on the role of the System Council set out in the Framework Document, at Article 2. (b), and Articles 6.1 (a) – (c), each System Council member will be asked to speak to their hopes and expectations for what the System Council will achieve for the good of CGIAR in the short, medium and long term.

***Framing questions that System Council members may wish to consider include:***

- Where do you want us to be in 5, 10, 15 years from now?
- What are the things we need to do to keep CGIAR research relevant?
- What areas of research do you think will become more relevant in the next decade?
- and conversely which areas will become less relevant with time?
- What do you think about the overall size of the CGIAR and its funding at around \$1bn/year?
- Are you getting value for money from your contributions to CGIAR?
- Is it getting any easier or harder to justify your contributions? Do you feel CGIAR delivers satisfaction for your bosses?
- What do you need from CGIAR to make your job easier?
- Do you think your work on this System Council will be meaningful, productive and worthwhile?
- What behaviors would we like to see in the system, and to model as a System Council?

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**10:30 – 11:00**

**BREAK**

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Agenda Item 3: continued  
11:00 – 11:45 am

FOR DISCUSSION

**Part 2** – With the goal of achieving a list of areas for System Council enhanced focus as it moves forward, the Chair will present a first draft summary from the observations provided by System Council members during part 1.

Following additional discussion, the Chair will invite System Council members to confirm their support for the summarized items, to guide the work and deliberations of the System Council for the near and mid-term, with adjustments as may be required over time.

**Action Requested:**

System Council members are invited to provide strategic contributions to help shape a final summary of key priorities and modalities of action for the System Council to facilitate its leadership of the CGIAR System as envisaged in the Framework.

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Agenda Item 4: Fund Effectiveness Working Group  
Progress, next steps and discussion  
11:45 – 12:45 pm

FOR INPUT/  
ENDORSE

\* **Supporting document(s):** FC15: CRP2 review timetable, FC15, Rome, Italy

The **Co-Chair** will invite the Fund Effectiveness Working Group (“Working Group”) to provide an update on the progress being made, proposed next steps, and linkages to the 2<sup>nd</sup> call CGIAR Research Program (“CRP2”) timetable that was adopted in Rome.

A representative of the Fund Effectiveness Working Group will make a brief presentation.

The ISPC Chair, System Management Board Interim Chair, System Management Office Interim Executive Director, and the two Centers’ representatives will be invited to provide inputs.

Based on discussions and System Council member inputs, the Co-Chair will invite the meeting to reflect on the proposed timing of the Working Group in advance of the System Council’s discussion on the ISPC’s review of the draft CRP2 full proposals, and actions that need to arise to take proposals through to full development and, if the System Council finds them acceptable at final submission, approval.

**Action Requested:** The System Council is expected to:

- 1. discuss and provide guidance as necessary on next steps.**

**12:45 – 13:35**                      **LUNCH** - Restaurant des Nations, 1<sup>st</sup> floor, OECD Conference Center

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Agenda Item 5: The New CRP Portfolio

FOR INPUT

13:45 – 15:45 pm

\* **Supporting document(s):**

*Doc SC1-03: ISPC Portfolio-level Commentary on CRP-II Full Proposals 2017 -2022*

*Doc SC1-04: Progressing TOR for CGIAR's Independent Science & Partnership Council*

The **Chair** will frame the session as an opportunity for System Council members to:

1. Discuss at a portfolio level the draft CRP2 Full Proposals based on the external independent review of the ISPC; and
2. Discuss System Council members' preferences on progressing a comprehensive Terms of Reference for the ISPC.

**ISPC Portfolio-level commentary**

This further review of the portfolio is focusing primarily on the extent to which there is evidence of further progress towards the development of a coherent, system-wide integrated portfolio of research, in response to the advice already given.

The **ISPC Chair, Maggie Gill**, will make a presentation based on the document provided in advance (*ISPC Portfolio-level summary, document SC1-03*). The presentation will likely confirm that following the comprehensive revision of CRP2 pre-proposals and platforms, there has been considerable progress in the integration of the elements into a 'portfolio' approach, as a requirement for delivery at the outcome level. However, that variability still exists, and analysis shows that there are remaining challenges with some of the current estimates of targets by individual CRPs.

The ISPC Chair is likely to request that the System Council provides clear direction on the revisions that the System Council requires to be made, if any, to the overall structure of the portfolio and/or individual CRPs or Platforms, taking note of the deadline for the re-submission of the amended full proposals by 31 July 2016.

Whilst the ISPC's primary focus at the 1<sup>st</sup> System Council meeting is at the portfolio-level, the ISPC Chair is also expected to speak specifically to the ISPC's findings after review of the Dryland Cereals and Legumes Agri-food Systems CRP ("DCL"). The ISPC Chair will report on the steps taken by those leading the proposed DCL phase 2 CRP to respond to the ISPC's comments on the 31 March 2016 version of the proposal, with the ISPC having major concerns about that earlier submission. Specifically, the ISPC Chair is expected to provide a

verbal briefing on how well a 7 July 2016 strategy submitted by DCL (in response to the ISPC's proposal specific review comments) addresses the concerns raised by the ISPC, in advance of asking the System Council whether DCL should be given more time to develop a stronger proposal, or should re-submit as a portfolio element with all other CRPs on 31 July 2016.

The CRP2 review and approval timetable endorsed at the Fund Council's 15<sup>th</sup> meeting, and the discussion from the prior agenda session on the progress of Fund Effectiveness Working Group deliberations will be important elements for System Council members to have in mind for this discussion.

The Interim Chair of the System Management Board and two Center representatives to the System Council will answer questions at the portfolio level on the CRP2 portfolio and steps taken at the Centers'-level to address the challenges identified by the ISPC for the DCL proposal.

**Action Requested:** The System Council is asked to provide guidance to the ISPC on:

- **The expected form and content of the ISPC's commentary on the full proposals, after re-submission on 31 July 2016;**
- **Whether DCL should be given more time to develop a stronger proposal,** thus altering the timetable for this agrifood systems CRP, or re-submit a strengthened proposal on 31 July 2016, with each of the other 11 CRPs, and platforms.

### **Progressing the Terms of Reference for the ISPC**

The **System Management Office Interim Director, Nick Austin**, will speak to the background paper prepared for the meeting (*Document SC1-04*). He is expected to highlight the desirability of a clear ISPC terms of reference ("ISPC TOR") being developed and agreed by the System Council pursuant to Article 6.1(e)<sup>2</sup> of the Framework, by reason that as a result of the transition, the *CGIAR Fund Governance Framework* is replaced by the Framework as the guiding document for the System Council and its advisory body.

As an aide-memoire, the Interim Executive Director will recall the earlier work of the transition team to put forward a preliminary draft ISPC TOR, set out as an appendix to the System Council's working paper. The ISPC Chair is able to answer questions on the degree to which input was provided on that draft.

**Action Requested:** The System Council is asked to **provide guidance on how it wishes to take forward the topic of developing a comprehensive ISPC TOR**, and the broad parameters by which the System Council wishes that work to proceed.

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<sup>2</sup> Corrected reference is in this Annotated Agenda, and paper SC1-04 will be amended to replace the earlier reference to Article 6.1(a) at paragraph 3.

**15:45 – 16:15 BREAK**

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**Agenda Item 6: Formalizing the Transition**

**FOR DECISION**

16:15 – 16:45 pm

At the invitation of the **Chair**, the Interim Executive Director will frame the discussion. Respectively, the three procedural items, which create no new rights or obligations, are:

1. *Doc SC1-05: System Council decisions on the CGIAR System Transitional Arrangements: Affirming agreement with the end-June 2016 approval to transfer certain functions from the Fund Council to the System Council;*
2. *Doc SC1-06: Endorsement of 2016 Work plans and Budget: Affirming agreement of Fund Council earlier decisions on budget ceilings; and*
3. *Doc SC1-07: Policies: Taking into consideration the role of the System Council in approving strategic, system-wide policies that are critical to maintaining the reputation of the CGIAR System pursuant to Article 6.1 (k) of the Framework, affirming continuing application of existing policies formerly approved as part of the Common Operational Framework until such time as amended or revoked according to the subject matter, upon the recommendation of the System Management Board pursuant to Article 8.1(q) of the Charter.*

**Action Requested:** The System Council is requested to **review, and endorse if considered appropriate, the decisions proposed in the respective papers.**

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**Agenda Item 7: Carry-over of unspent funds into 2017**

**FOR DECISION**

16:45 – 17:00 pm

**\* Supporting document(s):**

*Doc SC1-08: CRP 1 portfolio Unused Funding*

At the invitation of the **Chair**, the Interim Executive Director of the System Organization will present a possible approach to taking forward the question of carrying over “Unused Funding”, if any, at the end of 2016 into 2017, with the term “Unused Funding” referring specifically to funds that are both unspent and uncommitted at 31 December 2016.



The proposal builds on the preliminary conversation at the 6-8 June 2016 final transition meeting, as to whether there was appetite for this approach, and if so, how the carry-over of funding might work. Time constraints at the final transition meeting did not permit a full discussion on the document.

The Interim Executive Director will provide a high-level summary of the proposal that the System Council delegate responsibility to the CGIAR System Organization to manage the reallocation of any Unused Funding from CRP1 to the CRP2 portfolio.

The Interim Executive Director will confirm that the proposal has been discussed with the Interim Chair of the System Management Board, the trustee and representatives, the former Fund Office, and the Corporate Services Executives (“CSE”) of the Centers as to how the proposal could be put into operational effect.

**Action Requested:** The System Council is invited to:

1. **Review, and endorse if considered appropriate, the delegations of authority proposed in the paper.**
2. **If System Council members believe, however, that it would be important to have final clearance from their respective legal advisers on the approach and the implications for funding arrangements prior to formal approval, the System Management Office would propose that comments on the proposal be provided within a short period of time after the meeting, and then concluded on a virtual no-objection basis.**

The topic will also be discussed with the System Management Board during their meeting.

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**Agenda Item 8: Funding CGIAR System Actions and entities**  
17:00 – 17:15 pm

**FOR INPUT**

**\* Supporting document(s):**

*Doc SC1-09: Funding CGIAR System actions*

This agenda item also builds on conversations in Washington, D.C. at the final transition meeting over 6 – 8 June 2016.

The **Chair** will recall that the 6-8 June 2016 Washington, D.C. meeting requested the Interim Executive Director to *establish a working group*, building on the group that had met during the Washington meeting, to consider further the comprehensive identification of the administrative costs of the system and the means for financing such costs, and to develop a proposal for the development of multiyear, consolidated business plans and budget

projections with a view to facilitating robust budgeting and comprehensive and comparable monitoring and review of the System's administrative costs.

The **objective of the session** is to seek System Council nominations to join a multi-stakeholder working group.

It is expected that the **Interim Executive Director's** proposal for the working group will include the following elements:

- Working group to operate at a manageable size; working remotely through email and conference calls
- Include financial literacy, and broad cross-representation from the System Council, the System Management Board, and Corporate Services Executives of the Centers
- Individuals who have the time to commit to the task
- The working group operating according to a clear Terms of Reference to be developed and approved intersessionally by the System Council

**Action Requested:** The System Council is invited to:

1. **Endorse the overall approach set out in the paper; and**
2. **Provide the names of two System Council members who are able to serve on the working group over the period July – September 2016, with some scope for continued work thereafter.**

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**Agenda Item 9: Identification of Active Observers for System Management Board**  
17:15 – 17:30 pm FOR DECISION

**\* Reference document(s):**

*Charter of the CGIAR System Organization, Article 7.6 (b)*

The **Chair** will introduce the session, and confirm the objective to be for the System Council to identify, from amongst its voting members, two persons who will participate as "Active Observers" in System Management Board meetings and deliberations.

The term "Active Observer" stems from the Bogor, April 2015 deliberations of the Fund Council, and means (as set out in the Charter):

*"those entities identified in Article 7 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 the right to vote"*

System Council members will be invited to reflect on the composition of the new System Council and consider nominations for the System Management Board Active Observer roles that take into account matters such as: time availability; ease of travel to System Management Board meetings and ease of remote connections; reflecting the diversity of voting members on the System Council; and capacity to seek the inputs of other System Council members in advance of System Management Board meetings, and report back to the System Council on deliberations that relate to the mandate of the System Council.

It is proposed that the System Council revisit annually its two nominees to serve as Active Observers on the System Management Board.

The Chair will note that the 1<sup>st</sup> System Management Board is being held in close proximity to the System Council's 1<sup>st</sup> meeting, with the second day of the System Management Board's meeting being held on Wednesday, 13 July 2016 at the OECD meeting venue.

The Chair will seek nominations from the voting members of the System Management Board to serve as one of the two Active Observers of the System Management Board. It is recognized that this may make it difficult for one or both of the System Council's formal nominees to attend the System Management Board meeting in full. If such circumstances arise, it is anticipated that the Co-Chair will enquire as to the availability for a System Council voting member to act in a temporary basis in the place of a person who is not available at short notice.

**Action Requested:** The System Council is requested to:

- 1. Select two persons from amongst its voting members to serve as Active Observers for System Management Board meetings and deliberations, effective immediately; and**
- 2. Identify, as necessary and subject to availability, one or two temporary Active Observers to participate in the 13 July 2016 second day of the 1<sup>st</sup> System Management Board meeting in Paris, France.**

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**Agenda Item 10: Any Other Business**  
17:30 – 17:45 pm

**FOR DISCUSSION**

The System Council will discuss any other business that may have been tabled.

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Agenda Item 11: Close of 1<sup>st</sup> System Council meeting

17:45 – 18:00

The **Chair** will invite the System Council to agree on the timing and location of the 2<sup>nd</sup> System Council meeting, based on a proposal tabled during the meeting.

The Chair will also request that the System Management Office, based on deliberations during the meeting, and key responsibilities of the System Council as set out in the Framework, prepare a high-level schedule of key topics to be considered by the System Council over the period end July to end-Q1 2017 pursuant to the System Management Office's role of providing support to the System Council pursuant to Article 11. (b) of the Charter.

As a matter of early information, the Chair will note that these topics will include but are not limited to the following, with strong collaboration and engagement across all stakeholders:

- *Seeking System Council member inputs and approval of the System Council Rules of Procedure, based on Document 10 and the timetable proposed therein by the System Management Office (as may be amended by System Council member inputs);*
- *Supporting the System Council's role of approving a terms of reference for the ISPC (and IEA), if determined by the System Council to be a matter of focus in the coming months;*
- *Planning for the System Council's timely consideration, in consultation with the System Management Board, of a cost-effective, multiyear evaluation plan proposed by IEA covering evaluations of the CGIAR Portfolio and the structures and functions of the CGIAR System Organization;*
- *Supporting the System Council's formation of the Audit and Risk Committee, and the Strategic Impact, Monitoring and Evaluation Committee; and*
- *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.*

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18:30 – 20:00

SC1 reception and group photo

OECD Conference Centre, Galerie area, Level 0 (main floor)