

INTERIM CHAIR'S SUMMARY  
4<sup>th</sup> System Management Board Meeting  
Washington, D.C., 17 December 2016

Dear Board colleagues,

Dear Center Board of Trustee Chairs, Directors General and other colleagues,

To ensure that we maintain momentum as we near year-end, under cover of this note I provide an early, high level summary of decisions taken and key follow-up actions agreed at the Board's 4<sup>th</sup> and final meeting for 2016, as hosted at IFPRI's headquarters in Washington, D.C. on Saturday 17 December 2016 ('SMB4').

My note has the following constituent parts that I now draw to your attention, with a brief summary below to help with interpretation:

- Appendix 1 – Decisions we took
- Appendix 2 – Actions we agreed, including the 2017 confirmed Board meeting dates
- Appendix 3 – Colleagues present at SMB4

Briefly speaking to Appendices 1 and 2 in turn

#### **Appendix 1 – Decisions we took**

As a brief commentary, this was another very effective meeting, covering some complex terrain and taking clear decisions based on the needs of the system as a whole. Compared to earlier meetings, SMB4 had less in the way of substantive final decisions being taken, with much of the [Agenda](#) focused on preparatory work for 2017.

After a discussion on the impacts of unanticipated end-of-year variability of Window 2 financing outcomes, we the Board have tasked Elwyn to **develop a first draft 2017 CGIAR Portfolio Financial Plan for discussion amongst Centers that relinks Window 1 and 2** where this is needed to help ensure that the strategic allocation decisions from the System Council's November 2016 meeting for the CRPs and Platforms can be met.

The Board **confirmed my continuing appointment as Interim Chair**. This was based on the Board's exploration of whether another Board colleague felt ready to take up the role. Whilst I had certainly anticipated stepping down from the Interim Leadership role from early 2017, I have accepted to continue to serve the Board, the Centers and the System in the Interim Chair capacity because of my conviction that the revised governance system provides an excellent platform upon which CGIAR can more effectively demonstrate its ongoing critical relevance to the agricultural research for development agenda.

I am also delighted to note the Board's **endorsement of Dr. Eugene Terry, as Interim Vice Chair** with effect from 17 December through to the 30 June 2017 current end of our terms (as reflected in decision SMB/M4/DP5).

As a reminder for colleagues, the Office manages a publically assessable register of all decisions of the System Management Board and System Council (including electronic decisions), and those links are on the respective meeting pages here:

- [System Management Board meetings page](#)
- [System Council meetings page](#)

### **Appendix 2 – Actions we agreed**

There were a number of actions agreed. The forthcoming Meeting Summary will provide more depth, but I share key actions in appendix 2 below. Not every action will need to have been addressed by the Board's next meeting on 28-29 March 2017. However, we will be considering all actions and their progress at that meeting, as is standard for us to do.

Many of the Board's key actions will require detailed conversations amongst the Centers in the first half of 2017, and I will be working closely with Elwyn to ensure that the relevant conversations can be had. Clearly, one of the more important items for us to contribute to is the work that we have been asked to deliver to the System Council's May 2017 meeting on funding modalities for a stronger and more predictable financing system is as informed by us as it can be. It is critical that we get this right, and this will therefore need to be a priority conversation for the Board and Centers starting early into 2017.

**As a closing comment**, I also wish to particularly thank the System Council's two active observer representatives for their endorsement of the Board's efforts to work always above individual preferences and in the interests of the System as a whole. Noting that the Funders accept that a self-governing Board will inevitably face conflict of interest situations, the observations made during a message from the System Council representatives during SMB4 that they had not witnessed the Board working in the interests of specific Centers. Rather, they were impressed that the but rather working as a collective in the interests of the System as a whole, was very good news to hear. I know I speak for all 10 members of the Board when I say that we take very seriously our duty to work in good faith in the interests of the CGIAR System, and will remain very focused on this requirement as we return to work in the start of 2017.

I also express my very sincere appreciation as Interim Chair of the System Management Board for all that everyone has done to move the System forward so considerably in 2016!

Martin Kropff  
Interim System Management Board Chair

## Part A - Decisions we took

### SMB/M4/DP1: Meeting Agenda – 4<sup>th</sup> Meeting, 17 December 2016

The Board **adopted** the Agenda (Document SMB4-01, Revision 1)

### SMB/M4/DP2: Meeting Summary – 3<sup>rd</sup> Meeting, 1 November 2016

The Board **approved** the Meeting Summary of the Board's 3<sup>rd</sup> Meeting, as set out in document SMB3-07.

### SMB/M4/DP3: Grain, Legumes and Dryland Cereals research questions

The Board **endorsed** a high level process for an expert review group to be formed to consider the issue of how to most appropriately formulate a submission (or submissions) to the System Council to bring the essential research questions back into the CGIAR Portfolio by 1 January 2018, the draft timetable for such process to be updated and circulated following the Board meeting to all Centers.

### SMB/M4/DP4: Audit & Risk Committee Terms of Reference

The Board **approved** the Terms of Reference of the Audit and Risk Committee, as set out in Document SMB4-06B.

### SMB/M4/DP5: Interim Chair

The Board **endorsed** the ongoing appointment of Martin Kropff as System Management Board Interim Chair until a successor is appointed.

### SMB/M4/DP6: Board Vice-Chair

The Board **endorsed** the Interim Chair's recommendation to appoint Eugene Terry as System Management Board Vice-Chair effective immediately, and continuing until 30 June 2017.

### SMB/M4/DP7: Addressing Conflict of Interest situations

The Board **approved** the proposed framework for the declaration of interests by Board, Committee and adhoc Working Group members, with the elements of:

- a. Annual declaration: Using a pro forma to be filled in by all members;
- b. In advance of each meeting: Declaration of any conflict of interest associated with the agenda items - and annotated to the Agenda if necessary. An annex of any declared conflicts to be attached to each Meeting Summary;
- c. Any other time: Declaration of conflict of interest when it presents itself; and

- d. The final decision on how to manage conflict of interest situations to be made by either the Board Chair and the Chair of the Audit and Risk Committee if the latter is an independent Chair. Alternatively, if this criterion cannot be met, it will be for the Board Chair and Executive Director as a non-voting member to resolve.

#### SMB/M4/DP8: Recommendations from *adhoc* Rules of Governance Working Group

The Board **endorsed** the proposal of the Board's *adhoc* working group on Rules of Governance (as set out in Document SMB4-07a) that the General Assembly of Centers be invited to consider at its inaugural meeting on 24-25 January 2017 an amendment to the balance of independent members of the System Management Board, together with a timetable and potential process of appointment of System Management Board voting members to fill vacancies arising with effect from 1 July 2017.

## [Appendix 2 - Actions we agreed](#)

### [SMB/M4/AP1 – Funding modalities and implications](#)

**By early January 2017:** Upon receipt of the final W2 contributions and allocations for 2016, the System Management Office is to circulate to the Funders and the Centers, the resulting financing for 2016 against the 2016 FinPlan both to provide transparency in those outcomes and difficulties experienced, but also to further inform the paper that the System Council has requested be prepared to inform its May 2017 deliberations on the System's funding mechanisms more broadly.

### [SMB/M4/AP2: Completing the 2017 – 2022 CGIAR Portfolio](#)

**By mid-January 2017:** A proposed process and timeline will be prepared and circulated to the Centers and to the Board for endorsement, in regard to seeking to reintegrate fully into the 2017-2022 CGIAR Portfolio the two Flagships that were not included in the System Council approved portfolio, and those that the System Council determined would not be funded by W1-2 in 2017. Such process and timetable is to be circulated at the same time as the updated draft process for the grain, legumes and drylands cereals process.

### [SMB/M4/AP3: Ensuring clarity in the System Council's 2017 funding decisions](#)

**By mid-January 2017:** A communication will be prepared and shared with Centers regarding the implementation of the System Council's decision on the 2017-2022 CGIAR Portfolio, with specific reference to ensuring that W1-2 funds are not used for research that formed part of flagship programs that were not included in the 2017-2022 CGIAR Portfolio or not approved for W1-2 funding for 2017.

### [SMB/M4/AP4: Taking forward System-level resource mobilization efforts](#)

**By early 2017:** The Chair of the *ad hoc* Working Group on Resource Mobilization will work with the System Management Office to provide the Board with a costed work plan to deliver on proposed strategic system-level resource mobilization activities for 2017, including securing personnel to support such actions, whilst working at all times within the System Management Office's existing 2017 approved budget ceiling.

### [SMB/M4/AP5: Strategic engagement with the Global Crop Diversity Trust](#)

**By end January 2017:** The Interim Chair of the Board will liaise with the Chair of the Global Crop Diversity Trust Executive Board regarding the CGIAR non-voting member role on the Executive Board, to inform a planned conversation with the 11 CGIAR 'Article 15 Centers' on ensuring strategic representation on the Executive Board.

### [SMB/M4/AP6: Ensuring effective governance oversight of the Genebanks Platform](#)

**By mid-January 2017:** Confirming that, as for CGIAR Center-led CRPs and Platforms, the Genebanks platform should report on progress to the System Management Board, the Interim

Chair of the System Management Board and Ann Tutwiler will prepare a communication to the 11 CGIAR 'Article 15' Centers in regard to a range of governance questions arising on the Genebanks Platform proposal, to seek views and agree on proposals. In the interim, it was agreed by the Board to put on hold on the formal convening of the Board's *ad hoc* Working Group #6 on Positioning and Engagement on Genetic Resources.

[SMB/M4/AP7: Linkages between the Crop Trust Donor Council and System Council](#)

**During early 2017:** The Interim Chair of the System Management Board will raise with the System Council Chair, at an appropriate juncture, the Global Crop Diversity Trust's enquiry as to the possibility of System Council representation on the Crop Trust's Donor Council, being a matter for the System Council Chair to take forward as consider appropriate.

[SMB/M4/AP8: Supporting the 2017 Board member selection process by Centers](#)

**By 4 January 2017:** The Interim Chair of the System Management Board will liaise individually with all voting members of the System Management Board to discuss their intentions regarding their willingness and availability to serve for an additional term if so selected by the Centers, and share this information with the Board's *ad hoc* Rules of Governance working group to inform ongoing preparations by the Convener of Board Chairs and Convener of Directors General for the inaugural General Assembly of Centers on 24-25 January 2017.

[SMB/M4/AP9: Independent Steering Committees in the new governance structure](#)

**During 2017:** The Board agreed that during the course of 2017, the Board work plan include a substantive conversation on the role of the Independent Steering Committees in the context of the revised governance arrangements, particularly in light of substantially altered responsibilities for the System Council, System Management Board and Centers respectively in term of decision making and accountabilities, potentially being tied to the risk management framework discussions.

[SMB/M4/AP10: Communicating on System Council 2017 funding decisions](#)

**By early January 2017:** A response is to be prepared on behalf of the System to a communication received from the Independent Steering Committee of FTA on 15 December 2016.

[SMB/M4/AP11: Board meeting dates for 2017](#)

The Board requested that the System Management Office make arrangements as follows:

Meeting	Dates
SMB5, <u>Rome, Italy</u>	Tuesday 28 + Wednesday 29 March 2017
SMB6 – <u>Virtual</u> , 15:00 – 18:00 Europe	Tuesday 18 April 2017
SMB7 – <u>Virtual</u> , 15:00 – 18:00 Europe	Wednesday, 27 September 2017
SMB8, <u>Cali, Colombia</u>	Tuesday, 7 November 2017 (As part of CIAT 50 events/SC6 meeting)

Appendix 3 – Meeting Participants

<b>System Management Board Members</b>	<b>Capacity</b>
Martin Kropff (Interim System Management Board Chair)	
Catherine Bertini	Independent Member
Eugene Terry	Independent Member
Shenggen Fan	Voting Center Member
Gordon MacNeil	Voting Center Member
Bushra Malik	Voting Center Member
Jimmy Smith	Voting Center Member
Margret Thalwitz	Voting Center Member
Ann Tutwiler	Voting Center Member
Elwyn Grainger-Jones	Ex-officio Non-Voting Member <i>(Participating Remotely)</i>
<b>System Management Board Active Observers</b>	<b>Capacity</b>
Maggie Gill	Active Observer, ISPC Chair <i>(Participating Remotely)</i>
Eric Witte	Active Observer, System Council Member, USA
Tony Cavalieri	Active Observer, System Council Member, BMGF
Tom Randolph	Active Observer, CRP Leaders' Representative
<b>Apologies</b>	
Rachel Sauvinet-Bedouin	Active Observer, Head, CGIAR IEA
<b>Additional Observers and Invited Guests</b>	<b>Capacity</b>
Karmen Bennett	Governance, Board Secretary
Olwen Cussen	Governance, Meeting Support
Nadia Manning-Thomas	Governance, Meeting Support <i>(Participating Remotely)</i>
Albin Hubscher	CFO, Director of Finance & Corporate Services, Subject Matter Expert <i>(Participating Remotely)</i>
Elise Perset	General Counsel, Subject Matter Expert <i>(Participating Remotely, Agenda Item 5 only)</i>
Peter Gardiner	Director of Science, Subject Matter Expert <i>(Participating Remotely, Agenda Items 3 &amp; 5 only)</i>
Pierre Pradal	Internal Audit Unit Director <i>(Participating Remotely, Agenda Item 6 only)</i>