

Chair's Summary  
**12<sup>th</sup> System Management Board ('SMB') Meeting**  
13 December 2018, 14:00-18:00 Paris time, Virtual

**Dear Board Members and Active Observers,  
Dear Center Board of Trustees Chairs, Directors General and other colleagues,**

The System Management Board came together virtually on Thursday 13 December for their final meeting in 2018. We welcomed to her first meeting Dr. Isatou Jallow, following her appointment by the Centers as the third independent member of the Board from 1 December 2018.

As an end-of-year session, this meeting necessarily involved a number of more administrative Board matters, which are set out in the second part of this summary, however we also took time to celebrate some of the System's strategic achievements in 2018, including:

- **Approval of the 2019-2021 CGIAR System Business Plan**, built collectively by Center Board Chairs, DGs, CRP Leaders, Communities of Practice and our Funders and strongly backed by the System Council at its November 2018 meeting.
- **The encouraging alliance, merger and strategic cooperation conversations** underway with three sets of Centers. The Board highlighted its wish to create and foster an environment to encourage any such conversation that has potential to create greater impact than acting individually.
- **An increased sense of common purpose and a collaborative way of working** with Funders and across the System.
- **Reinforcing the critical role of Gender Equality research in CGIAR's Portfolio** by agreeing that in 2019 the System will have before it a proposal that elevates this area of work in our Portfolio.
- **The professional way in which we as a System have dealt with a small number of financial irregularities**, which has strengthened Funder confidence. Continuing the progress made in 2018 on being more transparent about how we are responding to these incidents, the Board approved the development of an annual CGIAR Integrity Report to be published on the CGIAR website.
- **Progress on performance management instilling confidence in ourselves and with Funders** as we produced the first performance management report and made progress on a dashboard. At this meeting the Board approved five metrics for assessment of the Program Performance Standards approved by the System Council in November 2018. It also endorsed the establishment of a working group to develop the metric for the financial management standard.

- **Stabilization and beginning signs of growth in Window 1 and 2 funding** that reflects the above achievements. The Board approved the 2019-2021 CGIAR Research Financing Plan, the first time that a three-year outlook has been developed, aiming to improve the stability and predictability of available funding.

None of these is a small achievement and on behalf of the Board I want to thank all those who have spearheaded and contributed to these efforts over the course of this year.

I personally look forward to the opportunities and challenges promised in 2019 as we seek to build on our collaboration thus far in realizing the promise of the 2019-2021 and developing together a 2030 Plan for CGIAR.

Sincerely  
Marco Ferroni  
Chair, System Management Board

## Selected key inputs and decisions and action points agreed

### OPENING BUSINESS

1. **Decision: SMB/M12/DP1:** The Board **adopted** the Agenda (meeting document SMB12-01, issued 29 November 2018).

### PART A – CGIAR PORTFOLIO MATTERS

#### **Agenda Item 2: Selected 2019-2021 CGIAR Business Plan Companion Documents**

1. The Board discussed a revised Implementation Plan for the 'Crops to End Hunger Initiative' for the period 2019-2021 (meeting document [SMB12-02](#)), noting that this was informed by System Council discussions during SC7 and inputs received from Funders and CRPs after that meeting. The Board was strongly supportive of the initiative noting its potential to increase impact through modernization of CGIAR's plant breeding and crop improvement work.
2. **Decision: SMB/M12/DP2:** The Board **endorses** the Implementation Plan for the 'Crops to End Hunger Initiative' for the period 2019-2021 with more in-depth conversations planned for the April 2019 SMB meeting.
3. A 'Dry Arc' concept paper (meeting document [SMB12-03](#)) presented by four Centers involved in drylands work was discussed and high-level feedback provided for consideration as the concept is further explored while recognizing that no pre-commitments can be made for the future portfolio. The Board recognized the merits of the proposed approach and suggested that much broader consultations and collaborations be undertaken as part of moving this forward.
4. The Board also reviewed the status of all strategies and initiatives that have been considered over the course of 2018, noting that these were discussed in the context of further enhancing the current Portfolio, including to provide additional overall framing and/or clarity on the breadth of the work being undertaken across the Portfolio within the various CGIAR Research Programs (e.g. the breadth of CGIAR's work on climate change extends beyond the CCAFS research program). It was recognized that there is a need for early consultation and deliberation on the process and scoping of the development of the 2030 Plan, including the development of the portfolio for implementation from 2022. A request was therefore made to agree a clearly articulated and transparent process for developing the 2030 work plan from 2022, rather than allocating undue staff and resources to incorporating new initiatives in the implementation of the CGIAR Research Portfolio in the 2019-2021.

#### **Agenda Item 3: Taking forward the creation of Gender on Research 'Platform' as part of the current Portfolio**

5. The Board encouraged the work done so far and reinforced their support and commitment. Guidance was provided on a number of areas, including (i) encouragement of a collaborative and coordinated approach with planned partnerships from the outset of proposal development; (ii) the need to focus on embedding of culture change including potentially adding a proposal assessment criterion on this; and (iii) the suggestion made to add 'inclusion' to the nomenclature.

#### **Agenda Item 4: Assessing 1<sup>st</sup> cycle of Program Performance Management Standards**

6. The Board took note of the extensive consultation undertaken on a proposed set of rubrics for assessing performance against the approved program management standards and noted that these will be piloted in 2019 and management practices upgraded where required.
7. **Decision: SMB/M12/DP3:** The Board:
  - i. **Approved** the assessment criteria for Standards 1-2 and 4-6 as set out in meeting document SMB12-05;
  - ii. **Noted** the additional complexity involved in Standard 3; and **endorsed** the creation of a working group on Standard 3 that will put forward revised metrics for approval by the Board at its 13<sup>th</sup> meeting (2-4 April 2019).

#### **Agenda Item 5: Evaluation matters**

8. The Board discussed key areas of feedback identified during the System Council's discussion on recent past cross-cutting evaluations (as set out in the [background resource](#) for this agenda item). Noting that these would be an area to revisit in more depth during an in-person session, the Board was invited to share any reflections including on how these might inform future evaluation planning.

### **PART B – ASSURANCE MATTERS**

#### **Agenda Item 6: Report from the SMB's ARC**

9. Gordon MacNeil, Chair of the SMB's Audit and Risk Committee (ARC) shared highlights of the Committee's over 2018. He noted the benefits of the addition of an external independent member on the Committee, the positive engagement with the System Council's Assurance Oversight Committee constituted in mid-2018, and progress on ARC's role to provide oversight of the financial management of funding by focusing on improving the quality and reliability of financial information to allow the ARC to properly advise the SMB that there are 'no surprises' around the corner.
10. It was also noted that as part of strengthening links with Center Audit Committee Chairs, the ARC has worked to enhance Centers awareness of roles and responsibilities in terms of financial oversight, particularly what the SMB's role is as specified in the Charter of the CGIAR System Organization, with this topic proposed for inclusion on

the agenda of the Center Audit Committee Chairs annual meeting to be held in February 2019.

11. **Action: SMB/M12/AP1:** In the SMB's April 2019 meeting, and annually afterwards, a more in-depth strategy session will be held on opportunity and risk management, looking at the development of a 'CGIAR System Risk Register' and thinking through where the Board's attention should be focused in terms of risks and opportunities.

#### **Agenda Item 7: Internal Audit engagements 2019 - 2021**

12. The Board discussed the 3-year risk-based rolling internal audit plan for the CGIAR System for the period 2019-2021 and on the recommendation of the SMB's Audit and Risk Committee ('ARC'):
13. **Decision: SMB/M12/DP4:** The Board **approved** the 3-year rolling internal audit plan for the CGIAR System Organization for the period 2019-2021 as set out in meeting document [SMB12-06a](#).
14. **Decision: SMB/M12/DP5:** The Board **approved** the 3-year risk-based rolling internal audit plan for the CGIAR System for the period 2019-2021 as set out in meeting document [SMB12-06b](#).

#### **Agenda Item 8: Managing reported events**

15. The Board heard the strong support expressed by the ARC and the System Council for a pilot annual CGIAR integrity report and noted its importance as an element of good governance and in building Funder confidence.
16. **Decision: SMB/M12/DP6:** The Board **endorsed** the development of an annual CGIAR Integrity Report to be placed on [www.cgiar.org](http://www.cgiar.org) to support transparency and demonstrate maturity of reporting.

### **PART C – FINANCIAL AND OPERATIONAL MATTERS**

#### **Agenda Item 9: Finalizing the 2019-2021 Portfolio Financing Plan**

17. On the recommendation of the SMB's Audit and Risk Committee ('ARC'):  
  
**Decision: SMB/M12/DP7:** The Board **approved** the 2019-2021 CGIAR Research Financing Plan for submission to the System Council for endorsement.<sup>1</sup>
18. In response to a question raised on 2018 allocations it was confirmed that a communication would be sent subsequent to the meeting on the timing of

<sup>1</sup> Noting one correction in language for clarity.

disbursements based on latest updates from the Trustee. It was noted that a full carry-over facility from 2018 to 2019 is available.

19. The Board took note that the Chair and the Chair of the IITA Board of Trustees would engage IITA management regarding activities classified as outside of the scope of the SRF.
20. The Board discussed further developed thinking around potential support to new Center Alliance activities, building on inputs from the System Council in November 2018. There was support expressed for a Window 3/bilateral facility by which Centers could access change management expertise and funding, including for a broader scope of potential activities in which that expertise can be used. It was noted that consultation would be undertaken with Centers to further develop the concept and possible terms of reference.

#### **Agenda Item 10: Reviewing fundraising approaches and opportunities**

21. The Board heard an overview of current funding trends including sources of funds, with a perception being noted of a new kind of openness from the Funder community, grounded in how they see us working as a System building on the solid work of the Centers.

#### **Agenda Item 11: System Management Office's focus on activities 2019-2021**

22. The Board heard an overview of the proposed workplan and budget for the System Management Office for 2019-2021, set out in meeting document [SMB12-09](#), developed to ensure the Office's support of the 10 Actions identified in the Business Plan, and ongoing responsibilities as set out in the Charter of the CGIAR System Organization.
23. In discussions, the Executive Director acknowledged concerns raised on whether the proposal would provide adequate capacity to ensure delivery of the expectations set by the CGIAR System Business Plan, citing the need to balance this with the overall goal of minimizing System costs to the extent possible. The Board agreed to revisit the workplan in the second half of 2019 as part of its ongoing oversight.
24. On the recommendation of the SMB's Audit and Risk Committee ('ARC'):

**Decision: SMB/M12/DP8:** The Board **approves** the 2019-2021 Workplan and Budget for the System Management Office.

#### **Agenda Item 12: Significant SC7 feedback for us as a System**

25. The Board reflected on the messages arising during the System Council's discussions at their 7<sup>th</sup> meeting, with key conclusions reported in the opening part of this Chair's Summary.

**Agenda Item 13: Consent Agenda**

26. Noting that amendments to the CGIAR System Framework and the Charter of the CGIAR System Organization will require approval by the General Assembly at its 30-31 January 2019 meeting to become effective:
27. **Decision: SMB/M12/DP9**: The System Management Board **approves** the nomenclature and other consequential amendments to the following documents arising from changes in the System's advisory bodies, as set out in the Annexes of meeting document [SMB12-10](#):
- CGIAR System Framework
  - Charter of the CGIAR System Organization
  - Policy on CGIAR System Cost Financing
28. **Decision: SMB/M12/DP10**: The System Management Board **approves** the proposed record retention periods for System Management Board materials, as set out in document [SMB12-11](#).

**Agenda Item 14: Any other business**

29. The Board noted additional items to return to in more detail in the first half of 2019, including:
- a. A methodology to provide annual reporting on progress against the ten actions set out in the Business Plan; and
  - b. Its meeting modalities and their overall effectiveness, including the balance of virtual vs in-person meetings.

[Annex: List of participants](#)**Members and Active Observers**

|  |  |
|--|--|
| Marco Ferroni  | Chair  |
| Isatou Jallow  | Independent voting member  |
| Kanayo F. Nwanze   | Independent voting member  |
| Namanga Ngongi   | Center-affiliated voting member  |
| Barbara Wells  | Center-affiliated voting member  |
| Claudia Sadoff   | Center-affiliated voting member  |
| Geoff Hawtin   | Center-affiliated voting member  |
| Gordon MacNeil   | Center-affiliated voting member  |
| Yvonne Pinto   | Center-affiliated voting member  |
| Elwyn Grainger-Jones   | Ex-officio Non-Voting Member   |
| Eric Witte   | Active Observer, System Council Voting Member  |
| Maggie Gill  | Active Observer, CGIAR Independent Science & Partnership Council (ISPC)  |
| Jenin Assaf<br><i>Representing Rachel<br/>Sauvinet-Bedouin</i> | Active Observer, CGIAR Independent Evaluation Arrangement (IEA)  |
| Vincent Gitz<br>Victor Kommerell<br><i>Izabella Koziell</i>    | Active Observer, Research program leader from the CGIAR Portfolio<br><br><i>Observer, Incoming Research program leader from CGIAR portfolio for 2019</i> |
| Nicole Birrell   | Invited Guest, Convener of the Chairs of the Boards of Trustees of CGIAR Centers   |
| Matthew Morell   | Invited Guest, Convener of the Directors General of CGIAR Centers  |

**Invited Guests and Meeting Support**

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| Karmen Bennett                               | Secretary to the System Management Board, and<br>Director, Board and Council Relations, CGIAR System Organization |
| Jamie Craig                                  | Director, Finance, CGIAR System Organization  |
| Andre Zandstra                               | Director, Funder and External Engagement, CGIAR System Organization   |
| Madina Bazarova<br><i>Agenda Item 7 only</i> | Head, CGIAR System Internal Audit Function and Chief Audit Executive,<br>CGIAR System Organization                |
| Peter Gardiner                               | Senior Advisor, Program Performance, CGIAR System Organization  |
| Christine Larson-Luhila                      | Senior Advisor, Board and Council Relations, CGIAR System Organization  |
| Olwen Cussen                                 | Senior Associate, Board and Council Relations, CGIAR System Organization  |

**Apologies**

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| Mellissa Wood | Active Observer, System Council Voting Member |
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