Chair's Summary[1]
15th System Management Board Meeting
28 October 2019; 14:00-15:50 Paris time; Virtual

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

As an agreed action from its 14th meeting[2], the primary purpose of the System Management Board ('the Board') coming together on 28 October 2019 was to consider the near-final 'One CGIAR' recommendations of the System Reference Group ('SRG'), in advance of submission of those recommendations by the SRG to the System Council ahead of its 9th meeting in Chengdu (13-14 November 2019).

By way of summary of the material that follows, the Board:

- **Expressed** its **support for the System Reference Group recommendations** and confirmed that it stood ready to **oversee the development and roll-out of an implementation plan** should the One CGIAR recommendations be endorsed by the System Council

- **Noted** that there is **much work still to do on planning and delivering the transition and implementation of the recommended One CGIAR approach**

In addition, the Board also:

- **Noted** the need for additional information from **CGIAR's Funders on the level of their planned and/or actual 2019/2020 contributions,** before the 2019-2021 CGIAR Research Financial Plan ('FinPlan') can be updated for 2020 funding projections

- **Agreed that next in-person Board meeting would be held** in the week of 6 April 2020

As always, I encourage colleagues to share this summary broadly across Center Boards of Trustees/Governing Boards and Center leadership teams to promote better understanding of system management activities and focus.

Sincerely
Marco Ferroni
Chair, System Management Board

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[1] Prepared pursuant to Article 9.2 of the Rules of Procedure of the System Management Board.
[2] https://storage.googleapis.com/cgiarorg/2019/10/1a405df5-smb14-07_chairssummary.pdf

SMB15 - Selected key inputs and decisions and action points agreed

Agenda Item 1: Opening of 15th meeting (called as an extraordinary session)

1. A quorum was present. As the Board considered the provisional Agenda, it was noted that given the tenor of the SRG's recommendations for One CGIAR, each of the Board members, Active Observers, and invited guests (together 'Board participants') were subject to an inherent conflict of interest by reason that each had actively participated in the SRG and provided contributions that shaped the resulting recommendations. Discussion was had on whether in the circumstances, the appropriate course of action for agenda item 1 for the Board would be to merely note the SRG recommendations. It was clarified that by reason that all the Board participants carried an inherent conflict of interest vis-à-vis the outcomes of the SRG process, such inherent conflict would not of itself preclude the Board from agreeing an action beyond 'taking note' of the SRG recommendations, should that be the outcome of the Board's deliberations during the meeting.

2. **Decision: SMB/M15/DP1**: The System Management Board <u>adopted</u> the Agenda (meeting document SMB15-01, the contents of which were communicated on 18 October 2019 pursuant to the Board's Rules of Procedures on the calling of extraordinary meetings of the Board).

Agenda Item 2: Recommendations of the System Reference Group to the System Council

3. The Chair introduced the session by recalling the position agreed by the Board at its 14th meeting, to bring the SRG recommendations back to the Board for formal endorsement once they had been further consulted upon and prior to their submission by the SRG to the System Council ahead of its 9th meeting.

4. It was noted that further consultation had taken place on a 10 October 2019 draft, on which a range of stakeholder groups, including Center Board Chairs, Directors General and Science Leaders amongst others, had provided comments. This had led to preparation of the advance, near-final draft recommendations set out in meeting document SMB15-02a.

5. The Board was advised that the document entitled 'Initial Steps and Transition Support to One CGIAR' (meeting document 15-02b) had been shared as early thinking on the essential first steps to take forward One CGIAR. Noting that the document was undergoing further drafting to incorporate the full breadth of inputs that had been provided on topics that included phasing, mitigation of inherent implementation risks, and proactive use of adaptive management techniques as a means of ensuring effective project implementation, it was confirmed that the document was a 'for information' piece for the meeting, and no action was being requested of the Board at present.

6.   A summary was provided of the key modifications now set out in the advance, near-final SRG recommendations as compared to the draft dated 10 October 2019, as follows:

a.   An executive management team of three managing directors is proposed to work with the Centers to achieve integration of Center operations into a small number of research business units (with the final number dependent on a consultative process), rather than the up-front establishment of two such units;

b.   Inclusion in the paper of a strategic opportunity and risk assessment of the One CGIAR vision based on a workshop of the members of the Board's Audit and Risk Committee and the System Council's Assurance Oversight Committee held on 23 October 2019, with the overriding observation that the risks of not implementing the SRG's recommended One CGIAR vision were greater than if CGIAR did;

c.   Greater clarity on the timing of establishing the One CGIAR Common Board, and the proposal for each of the Center Boards to continue the membership of a small number of their respective discretionary board members for a period out to end-2021;

d.   Confirmation that implementation of One CGIAR would be based on adaptive management principles (as further articulated in the initial draft accompanying supportive documentation); and

e.   Reflecting the wider relevance of One CGIAR to achievement of Sustainable Development Goals ('SDGs') beyond SDG 2.

7.   Subsequent discussion focused on a range of topics, including:

a.   The need to ensure the proactive management of what will be a complex change process, including possibly through: confirmation of the System Management Board serving as the formal project sponsor; identification of a project steering group for more day-to-day decisions; and putting in place a dedicated project management function to provide high-quality project planning and tracking services (e.g. provided by an external firm whose personnel are embedded in the change team, and who would bring suitable methodology and a weight of specialist experience to the task of tracking the project and watching for interdependencies). It was suggested that such an approach, or something akin to it, would bring rigor to the change management process and support management in implementing the One CGIAR vision and discharging their duty of accountability to those they serve;

b.   The need to ensure that proactive actions are taken to address the communication challenges inherent in the move to One CGIAR and the complexities of the transition, with a focus on ensuring diversity in the type and content of those communications, and over- rather than under-communicating;

c.   The importance of further elaborating transition and implementation risks in the document entitled Initial Steps and Transition Support to One CGIAR; and

d. The need to recognize that timelines in the recommendations – such as on the transition to the One CGIAR Common Board – should be interpreted with a reasonable degree of flexibility as part of adaptive management, without compromising the overarching ambition.

8. It was noted that the 'Initial Steps and Transition Support to One CGIAR' document (as further elaborated before the 9th System Council meeting), will provide valuable input into the development of a detailed transition and implementation plan in due course, with the System Management Board having primary oversight and strategic decision-making responsibility for that plan over time.

9. **Decision: SMB/M15/DP2**: Noting the agreed position of the System Management Board ('Board') at its 14th meeting that the final System Reference Group ('SRG') recommendations should come back to the Board for formal endorsement prior to submission to the System Council, and that the Board members have actively participated in the SRG process, the Board:

   a. <u>supports</u> the SRG recommendations towards the One CGIAR approach as set out in the 25 October version;
   b. <u>recognizes</u> that the System Council may further shape the recommendations at its meeting in November 2019;
   c. <u>understands</u> the need for a sound and detailed implementation plan including communication processes that is founded on adaptive management principles to take One CGIAR forward on the time-sensitive path based on System Council endorsement; and
   d. <u>stands ready</u> to oversee the development and roll-out of such implementation plan.

Agenda Item 3: Update on the 2019-2021 CGIAR Research Financing Plan ('FinPlan')

10. The Board heard an update from the System Organization's Director of Financial and Digital Services on the status of presenting robust 2020 projections for the FinPlan [3], the key points of which were that:

    a. The FinPlan as approved at end-2018 included indicative funding allocations to System entities and the research portfolio (programs and platforms);
    b. The Board's Audit and Risk Committee had been consulted at its meeting on 24 October for strategic guidance on the elements to include for the 2020 projections;
    c. A major input needed for those projections is Funder commitments regarding earlier indicative allocations, further details on which will be sought from Funders at the 9th System Council meeting; and
    d. The updated FinPlan will be shared with the Board and System Council subsequent to 9th System Council meeting, for required electronic decisions,

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[3] FinPlan approved by the System Management Board on 13 December 2018 (Decision: SMB/M12/DP7) and subsequently endorsed by the System Council with effect from 10 January 2019 (Decision: SC/M7/EDP1).

with a view to having funding in place and communicated to the Centers by the new year.

11.   **Agreed position**: The System Management Board <u>took note</u> of the need for follow up with Funders on the FinPlan, prior to its circulation for electronic decision and communication with Centers.

Agenda Item 4: SMB scheduling and Other Business

12.   The Board Secretary presented a proposal for the next in-person meeting of the Board.

13.   **Agreed position**: The System Management Board <u>agreed</u> that the week commencing 6 April was a suitable time to hold its first meeting in 2020.

14.   No other business matters were tabled. The Board Chair thanked Board participants for the quality of the deliberations, and the System Organization team for their continued operational and technical support and closed the meeting.

Annex: List of participants

Members and Active Observers

Marco Ferroni	Chair and Independent Voting Member
Isatou Jallow	Independent Voting Member
Matthew Morell	Center-affiliated Voting Member
(Amos) Namanga Ngongi	Center-affiliated Voting Member
Yvonne Pinto	Center-affiliated Voting Member [4]
Claudia Sadoff	Center-affiliated Voting Member
Barbara Wells	Center-affiliated Voting Member
Hilary Wild	Center-affiliated Voting Member
Elwyn Grainger-Jones	Executive Director, CGIAR System Organization, Ex-officio Non-Voting Member

Active Observers

Mellissa Wood	System Council Voting Member
Izabella Koziell	Research program leader from the CGIAR Portfolio
Holger Meinke	Chair, CGIAR Independent Science for Development Council

Invited Guests

Nicole Birrell	Convener of the Chairs of the Boards of Trustees of CGIAR Centers
Aly Abousabaa	Convener of the Directors General of CGIAR Centers
Clarissa van Heerden	Independent Chair, System Management Board Audit and Risk Committee (ARC)

SMB Secretariat

Karmen Bennett	Secretary to the System Management Board, and Director, Board and Council Relations, CGIAR System Organization
Andrew Smith	Deputy Director, Board and Council Relations, CGIAR System Organization

Technical input and operational support

Jamie Craig	Director, Financial and Digital Services, CGIAR System Organization
Roland Sundstrom	Senior Advisor, Executive Director's Office, CGIAR System Organization
Victoria Pezzi	Meetings and Events Associate, CGIAR System Organization
Eelco Szabo	Independent Legal Expert

Apologies

Members	
Kanayo F. Nwanze	Independent Voting Member
Active Observers	
Eric Witte	System Council Voting Member

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[4] Yvonne Pinto was, at the time of her appointment, selected as a Center-affiliated member by reason of her then role as Chair of the WorldFish Board of Trustees. As permitted by the Charter of the System Organization, Yvonne Pinto is eligible to continue her term as a member of the System Management Board although her term as Chair of the World Fish Board came to an end in mid-2019.