Chair's Summary[2]
16th System Management Board Meeting
28-29 January 2020; Amsterdam, The Netherlands

Colleagues, co-creators

This Chair's Summary seeks to capture the spirit and depth of the SMB's discussions at its 16th meeting, and be clear about how One CGIAR and other key matters would now be taken forward with the benefit of detailed consideration of the insights received over recent months from Center and Funder colleagues through structured and ad hoc contributions.

Our meeting re-affirmed the goal and purpose of the changes we, CGIAR, seek to make. Moving to One CGIAR is about delivering more effectively on our mission, and making sure that with the help of our well-known and respected brands, we will be as relevant and impactful as needed in a world that is vastly different from that which existed when we were first established and which is facing an escalating climate crisis.

Against that backdrop, we considered the meeting a pivotal moment for the SMB to rise to the challenge and deliver on what is expected of us – that is to steward and lead the process of transition in a purposeful and timely manner. We reflected that perhaps for some of our Funders, the sense may be that action could be taken even more quickly than may seem to be the case at this very time. We reflected, too, that the pathway forward will inevitably give rise to many considerations and concerns as the various constituents of our interconnected system continue their thinking on how to adjust culture and operations to the desired outcome of a more interconnected and aligned CGIAR. And we noted as recurring themes of our meeting, both the need to re-double two-way communication efforts on One CGIAR, and for all of us – SMB members, Center colleagues and Funders alike – to be champions of One CGIAR as we collectively pivot to operate in the way envisaged by the five SRG interconnected recommendations.

Committed to moving from discussion to action at SMB16, we welcomed and valued the invitation by CGIAR's Centers/Alliances for the SMB to listen to, and fully absorb, both the inputs received from the Extraordinary General Assembly of Centers ('EGA') in December 2019 and the questions and observations submitted by individual Center/Alliance boards as they considered the EGA proposals before them. A powerful part of our interconnected governance model is that there were many in attendance at SMB16 who were at the EGA

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[1] Item i. of Action Point SMB/M16/AP2 on page 5 was initially issued without the final part of that paragraph (as now included, and underlined for ease of reference)
[2] Prepared pursuant to Article 9.2 of the Rules of Procedure of the System Management Board.

meeting. They gave substance, perspective and depth to the EGA's important contributions to the deliberation at SMB16.

As agreed between CGIAR's Centers and Funders in the 2016 governance changes that strengthened our collective partnership, SMB discussions are informed by the presence of representatives of the System Council;, a representative of the CGIAR Research Programs, and the Independent Science for Development Council as Active Observers, and the Independent Chair of the SMB's Audit and Risk Committee as an invited guest. To be as inclusive as possible, the SMB has also adopted the practice of inviting the Conveners of the Center Board Chairs and Directors General as additional invitees to our meetings. Appreciating that not everyone present at SMB16 had been involved in all elements of the SRG process from its 2018 start through to the final SRG[3] recommendations to the November 2019 System Council meeting, our System Council Active Observers summarized for the benefit of our conversations: (i) the intent, purpose and rationale for a One CGIAR integrated operational structure from the Funders' perspective (embodied in what became Recommendation 3a.); and (ii) the broader vision of gaining strength by bringing together the different Centers/Alliances through joint strategies and business planning, transformed in-country CGIAR coordination, and more impactful science by virtue of productive work environments, reduced institutional boundaries and duplication, adequately structured funding, and improved ways of administering grants.[4]

In all, we used our SMB16 meeting to reflect on what is in the best interests of CGIAR in supporting our mission, what it truly means to 'co-create' across the System as the SMB charts the implementation path forward, and why it is critical that no one group initiates a debate or course of action that excludes those with the stake, knowledge and competency to help shape that work. We also took note of the early draft assessment of the state of CGIAR from representatives of MOPAN (the Multilateral Organizations Performance Network)[5] whose areas of identified strengths and challenges appear to align with the aims of a meaningfully pursued future state of One CGIAR.

Benefitting from the valued information points we had, including the substantially advanced 'Initial Steps and Transition Support to One CGIAR' paper before us[6], we took the decisions and agreed the actions on One CGIAR set out in Appendix 1 that follows.

Specifically, on the EGA inputs, we agreed with the proposal to retain a small number of Center/Alliance-specific board members beyond end-2021 as we chart the course to One CGIAR. We recognized the anticipated benefits of a more relevant CGIAR to our host and client country stakeholders and saw the need for stepped-up outreach to them. On how best to implement the endorsed concept of an integrated CGIAR operational structure, as set out in our agreed position in Appendix 1, we determined that it was essential to remain faithful to the intent of the System Council-endorsed recommendations as we move forward.

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[3] https://storage.googleapis.com/cgiarorg/2019/10/58dd83d6-srg-composition-for-website-11oct2019.pdf
[4] SMB members suggested that this re-visited explanation to be documented as a detailed statement and distributed to all Center/Alliance boards after the meeting.
[5] http://www.mopanonline.org/ourwork/2019assessmentcycle/
[6] https://storage.googleapis.com/cgiarorg/2020/01/SMB16-03a_Initial-Steps-and-Transition-Support-to-One-CGIAR-v3-WEBSITE.pdf

We agreed that a fully mandated project management team should be put in place as a priority action to help us steward the many moving parts and avoid misunderstandings and delays. And we re-affirmed (as referred above) the need for effective two-way communication – not only on process, but analysis – as part of the program management efforts to deliver One CGIAR.

Uppermost on our mind was continued delivery against CGIAR's mission whilst implementing One CGIAR – taking forward what we need to do as CGIAR to deliver on our current promises and to continue to be a trusted partner and employer. As stated in Appendix 2, we therefore (i) agreed allocations of funds for Centers engaged in merger and alliance activities from the Window 1 Fund set up for that purpose and the bilateral grant funded by the Bill & Melinda Gates Foundation; (ii) expressed support for the establishment of a broader-scope One CGIAR transition fund moving forwards; (iii) endorsed the 2019-2021 CGIAR Research Financing Plan, as updated for 2020-2021, for submission to the System Council for its approval; (iv) approved the Framework for Gender, Diversity and Inclusion in CGIAR's Workplaces and its accompanying Action Plan (covering the 2-year period 2020-2021) and reaffirmed our commitment to keep up the momentum in this area, including through regular updates on the SMB's agenda; (v) approved the rolling workplan for the CGIAR System Internal Audit Function for 2020-2022, taking note of its role as one of the many parts of the system providing assurance on how we operate; and (vi) commended CGIAR's accreditation to the Green Climate Fund and endorsed the establishment of a CGIAR Working Group from across the system, tasked to develop an operational proposal for the establishment of a CGIAR Green Climate Fund Desk to step up engagement in this area.

As a concluding thought, back to substantive communications: In addition to the capacity that will be vested in the One CGIAR transition program management team moving forward, as SMB Chair I humbly ask for the support of everyone in the System in being effective communicators on purpose, intent, vision and appropriate implementation of One CGIAR. I thank you for your ongoing engagement and commitment.

Marco Ferroni
Chair, System Management Board

Appendix 1: Decisions taken and actions agreed on the transition to One CGIAR

I.   Decisions taken:

Decision: SMB/M16/DP7: The System Management Board:

i.   Approved the Terms of Reference for an inclusive Search Committee for the selection of a firm/consortia to serve as a Transition Program Management Unit ('TPMU') to provide professional program management services for the One CGIAR transition[7].

ii.   Appointed the following individuals to serve on the Search Committee, each of whom bring experience in delivering and/or overseeing delivery of complex change management programs:
- SMB member (Hilary Wild)
- Independent Chair of the SMB's Audit & Risk Committee (Clarissa van Heerden)
- Chair of the Independent Science for Development Council, and Active Observer to the SMB (Holger Meinke)
- One representative from the voting members of the System Council (to be identified through consultation with the Chair of the System Council)
- One representative of the CGIAR System Organization (to be nominated by the Executive Director of the System Organization)

iii.   Requested the Search Committee, once formed, to self-select a Chair, and for the Chair, on behalf of the Committee, to report on the outcomes of the selection process to the SMB by not later than its 17th meeting.

II.   Agreed actions – for subsequent decisions as noted:

Action Point on TCF and TAGs: SMB/M16/AP1: The System Management Board:

i.   Took note of the terms of reference as set out in Annex IV of the document 'Initial Steps and Transition Support to One CGIAR: VERSION 3' and invited the co-chairs of the TCF to propose, **by 13 February 2020**, an initial set of Transition Advisory Groups ('TAGs') and their membership for a no-objection by the Board by **17 February 2020.**

ii.   Underscored the importance of keeping the TAGs to a manageable size, with a diverse and representative membership that reflects the wealth of experience and expertise across the CGIAR System and its stakeholders.

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[7] Available at https://storage.googleapis.com/cgiarorg/2020/02/APPROVED_Annex-VI_SMB16-03a_Initial-Steps-and-Transition-Support-to-One-CGIAR-v3.pdf

Action Point on reconstituting the SMB with new members: SMB/M16/AP2:
The System Management Board:

i. <u>Emphasized</u> the importance of moving to a One CGIAR Common Board as soon as possible, and <u>endorsed</u> a stepwise approach to provide a route to achievement of the One CGIAR Common Board in a way that maintains pace in decision making, whilst segmenting the required decisions by the respective legal entities into specific concrete steps <u>to result in the common board members comprising a 2/3rd voting majority on each of the respective Center/Alliance Boards</u>.

ii. <u>Requested</u> that by 7 February 2020 as the first stage in that stepwise approach (recognizing that the SMB and System Council would also need to approve all changes to the Charter of the System Organization) the following documents be provided by the System Organization to the General Assembly of the Centers, and shared thereafter with the SMB and System Council:

   a. The SMB-endorsed stepwise approach together with a Q&A document on purpose and intent of the staged process; and
   b. The first wave of proposed amendments to the Charter of the CGIAR System Organization to permit necessary first steps to reconstitute the SMB, with an effective date of those amendments being clearly explained as a future date when the SMB is reconstituted.

Action Point on legal due diligence: SMB/M16/AP3: The System Management Board <u>requested</u> that the System Organization secure an external legal opinion to be shared openly with all CGIAR Center/Alliance Board members on the duties of members of CGIAR entity boards (and the delegation thereof to a One CGIAR Executive Management Team), taking into consideration CGIAR entity-specific governing instruments, established host country agreements, and applicable national or international law (if any).

Action Point on securing expert program management experience: SMB/M16/AP4: The System Management Board <u>requested</u> that the System Organization, taking into account the inputs provided, finalize and issue the Request for Proposals for expert program and change management services (to act as a Transition Program Management Unit that reports to the SMB) and that the Search Committee take the process forward as set out in Decision SMB/M16/DP7.

Action Point on forming the technical support teams for One CGIAR transition: SMB/M16/AP5: The System Management Board <u>took note</u> of the terms of reference set out in Annex IX of the document 'Initial Steps and Transition Support to One CGIAR: VERSION 3' and <u>requested</u> the System Organization to identify senior staff members as co-managers of the support teams for agreed TAGs and to issue initial calls for expressions of interest for interested and qualified Center staff to join these support teams as co-managers.

Agreed Position on achieving an integrated CGIAR operational structure: The System Management Board:

1.   Took note of:
      - The System Council-endorsed System Reference Group (SRG) recommendation 3a. on an integrated operational structure, comprised of a small number of operational units formed and led by a One CGIAR Executive Management Team;
      - The draft terms of reference for an interim One CGIAR Executive Management Team and its Managing Directors, as set out in Annex V of the document 'Initial Steps and Transition Support to One CGIAR: VERSION 3'; and
      - The proposal prepared by the Extraordinary General Assembly on an 'Executive Team'.

2.   Agreed on the importance of preserving the intended outcome of the System Council-endorsed SRG recommendation, including through:
      - coordinated leadership across the System under an Executive Management Team (EMT) reporting to the One CGIAR Common Board;
      - a consolidation of CGIAR's Centers into fewer operational units;
      - appropriate delegation of authority to enable the EMT and Center Directors General to effectively manage their respective responsibilities; and
      - alignment of a clear and unambiguous chain of responsibility, accountability, and authority.

3.   Called for a consultative process to be undertaken to define the roles, skills, and competencies of the EMT with input by the broad-based TCF, drawing on appropriate and relevant external expertise, and taking into account the considerations above, with a target for obtaining robust input to the SMB by end-March 2020, and the SMB approving terms of reference and launching a search process by no later than end-April 2020.

Appendix 2: Other decisions taken

Decision: SMB/M16/DP1: The System Management Board <u>adopted</u> the Agenda (meeting document SMB16-01, Revision 1, issued on 14 January 2020).

Decision: SMB/M16/DP2[8]: The System Management Board:

a. <u>Approved</u> the allocations of funds for Centers engaged in merger and alliance activities from the Window 1 Fund set up for that purpose and the bilateral grant funded by the Bill & Melinda Gates Foundation as follows:
   i. CIFOR/ICRAF: US$ 254,850
   ii. Alliance of Bioversity and CIAT: US$ 1,366,148
   iii. AfricaRice/IRRI: US$ 379,002

b. <u>Proposed</u> that a broader-scope One CGIAR transition fund be established for future support to such activities with criteria for the allocation of those funds to be approved by the SMB.

Decision: SMB/M16/DP3: The System Management Board <u>endorsed</u> the guidance note and 2020-2021 Revised CGIAR Research Financing Plan (as set out in meeting document SMB16-05) for distribution to the System Council for approval.

Decision: SMB/M16/DP4: The System Management Board <u>approved</u> the Framework for Gender, Diversity and Inclusion in CGIAR's Workplaces and its accompanying Action Plan covering the 2-year period 2020-2021 (as set out in meeting document SMB16-06).

Decision: SMB/M16/DP5: The System Management Board <u>endorsed</u> the establishment of a CGIAR Green Climate Fund Working Group (as set out in meeting document SMB16-07).

Decision: SMB/M16/DP6: Upon the recommendation of its Audit and Risk Committee, the System Management Board <u>approved</u> the CGIAR System Internal Audit Function rolling internal audit plan for the period 2020-2022 and associated budget.

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[8] It is noted that SMB members affiliated with Centers who had applied for funding recused themselves from discussion and decision-making on this item.

Appendix 3: List of participants

Members

Marco Ferroni	Independent member and Chair
Isatou Jallow	Independent member
Kanayo F. Nwanze	Independent member
Amos Namanga Ngongi	Center-affiliated Voting member
Barbara Wells	Center-affiliated Voting member
Claudia Sadoff	Center-affiliated Voting member
Hilary Wild	Center-affiliated Voting member
Matthew Morell	Center-affiliated Voting member
Yvonne Pinto	Center-affiliated Voting member *
Elwyn Grainger-Jones	Ex-officio Non-Voting Member

*** Eligibility to remain as a Center-affiliated System Management Board member until end of current term (31 August 2020) pursuant to the operation of Article 7.9 of the Charter of the CGIAR System Organization.*

Active Observers pursuant to article 7.6 of the Charter of the CGIAR System Organization

Wijnand van IJssel	Active Observer, Representative of System Council Voting Member
Mellissa Wood	Active Observer, Representative of System Council Voting Member
Michael Phillips	Active Observer, Research program leader from the CGIAR Portfolio
Holger Meinke	Active Observer, Chair, CGIAR Independent Science for Development Council

Invited attendees pursuant to Article 7.7 of the Charter of the CGIAR System Organization

Clarissa van Heerden**	Chair, Audit and Risk Committee (ARC)
Allison Smith	Director, CGIAR Advisory Services Shared Secretariat

Additional invited guests

Nicole Birrell	Convener of the Chairs of the Center Governing Boards/Boards of Trustees
Aly Abousabaa	Convener of the Directors General of CGIAR Centers
Nick Austin** & Tony Cavalieri**	Bill & Melinda Gates Foundation (4pm, Tuesday 28 January)
Mitch Levine	Policy Analyst, MOPAN (Agenda Item 2 only)
Francis Watkins	Social Development Consultant, MOPAN (Agenda Item 2 only)
Fiona Bourdin-Farrell**	Senior Advisor, Gender, Diversity, and Inclusion, CGIAR System Organization (Agenda Item 6 only)

***Denotes remote participation*

SMB Secretary

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

Content experts/operational support

Madina Bazarova**	Head, CGIAR Internal Audit Function
Jamie Craig	Director, Financial & Digital Services, CGIAR System Organization
Elise Perset**	Director, Legal and Office Services, CGIAR System Organization
André Zandstra	Director, Funder and External Engagement, CGIAR System Organization
Roland Sundstrom	Senior Advisor, Executive Director's Office, CGIAR System Organization
Yorgos Solomos	Senior Advisor, Risk Management, CGIAR System Organization
Olwen Cussen	Board and Council Relations Coordinator, CGIAR System Organization

Apologies

Eric Witte – Active Observer, Representative of System Council voting member