Extension of the End Disbursement Date under
the CGIAR Trustee Agreement

Purpose

This document presents a request to the System Council to approve the extension of the End Disbursement Date of the CGIAR Trust Fund under the CGIAR Trustee Agreement to 31 December 2030, subject to agreement by the World Bank as Trustee, and lays out the next steps for the amendment of the Trustee Agreement.

Action Requested

The System Council is requested to approve, subject to the subsequent agreement by the World Bank as Trustee, the extension of the End Disbursement Date of the CGIAR Trust Fund under the CGIAR Trustee Agreement to 31 December 2030.

Special notice on ‘Consent Agenda’ status of this document

This item is presented to the System Council according to Article 7.1(a) of the System Council’s Rules of Procedure, permitting a ‘consent agenda’ consisting of items that require formal System Council decision but are submitted as a group for adoption by the System Council without discussion.

Further to the Rules of Procedure, should a System Council member or Active Observer wish to remove an individual item from the Consent Agenda, that request should be communicated to the Secretary of the System Council by close of business Paris time on Tuesday 1 March 2022.

Document category: Working document of the System Council
There is no restriction on the circulation of this document

Prepared by: System Organization, General Counsel
Background

1. The Agreement on the Terms and Conditions for the Administration of the CGIAR Trust Fund ("Trustee Agreement") effective as of 8 March 2017, between the CGIAR System Organization and the International Bank for Reconstruction and Development ("World Bank"), as Trustee of the CGIAR Trust Fund (MTO No. 069033), sets out the current End Disbursement Date of the CGIAR Trust Fund in paragraph 10.3 as follows:

"Unless otherwise agreed in writing between: (a) the System Organization with prior approval of the System Council, and (b) the Trustee; to extend such date, the Trustee may not make any new transfer from the Trust Fund after December 31, 2024 (the “End Disbursement Date”)."

2. It is proposed to extend the current End Disbursement Date of the CGIAR Trust Fund to 31 December 2030 to ensure alignment with the end of the CGIAR 2030 Research and Innovation Strategy as well as with the funding targets set in the CGIAR Resource Mobilization, Communication and Advocacy Strategy, i.e. USD 2 billion (2018 value) by 2030 with 70% as pooled funding, and in line with SRG Recommendation 5 ‘More, and Pooled, Funding’ endorsed by the System Council.

3. The proposed extension is also important for CGIAR’s funding community, as it:

   a. more closely aligns the Trustee Agreement with CGIAR’s aspirations and the greatly appreciated efforts being made by our Funders to have in place longer-term agreements regarding Window 1 (including designated Window 1 funding). Those Funders seeking 3, 4 and 5-year internal approvals will be better supported by a Trustee Agreement that extends beyond the term of the multi-year agreements that they are seeking to put in place; and

   b. provides increased flexibility for those Funders who use the CGIAR Trust Fund’s Window 3 mechanism. Several Funders have communicated to the System Organization that the current End Disbursement Date now presents a challenge to the execution of agreements that commit funding beyond 2024 based on internal business strategies of providing multi-year grants to CGIAR Centers.

Next Steps

4. Should the System Council approve the extension of the End Disbursement Date of the CGIAR Trust Fund to 31 December 2030 as requested, the steps to amend the Trustee Agreement would be as follows:

   - Mid-March 2022 to end April 2022: The World Bank would undertake an internal process to review the proposed extension of the End Disbursement Date as part of its internal review and approval process related to certain amendments to the Trustee Agreement arising from the decisions taken by the System Council to approve amendments to the CGIAR System Framework and CGIAR Glossary in the SC14 meeting (December 2021).
• **Early May 2022 – end June 2022:** Should the World Bank agree to the proposed extension of the End Disbursement Date following its internal review and approval process, the World Bank as Trustee would request all Funders contributing to the CGIAR Trust Fund during the 3-year period immediately preceding the date of the request to provide their prior consent to the proposed amendments to the Trustee Agreement. Noting that this step to obtain the Funders’ prior consent could take up to 60 days if the Trustee does not receive any response from a Funder, all Funders are encouraged to provide their consent to the Trustee on a time-sensitive basis after receipt of the request.

• **Early July 2022:** The World Bank as Trustee and the System Organization will sign an Amendment to the Trustee Agreement. The Trustee will notify all Funders of the Amendment to the Trustee Agreement.