



REPORT OF THE TWENTY-SECOND MEETING

Purpose:

This document presents the Report of the Consortium Board's Twenty-Second meeting held on 1 – 2 November 2015 in Washington D.C.

- **Agenda items.** The meeting comprised the 12 agenda items set out in the table of contents on the following page.
- **Decisions.** This report presents the official record of the meeting including the seven decisions adopted by the Board, as set out in full text in Annex 1.
- **Participants.** The participant list is set out at Annex 2.

This report was approved by the Consortium Board at its Twenty-Third meeting, 14 December 2015 (CB/B23/DP2).

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Agenda item 1: Welcome, setting the scene, agenda approval

1. The Chair welcomed meeting participants, and noted the apologies set out in Annex 2. She noted her intent to move into the meeting without a “scene setter” given the extensive nature of conversations over past days, such that the context in which the meeting was being held is well understood.
2. **Decision:** The Board approves the Agenda, set out in meeting document CB22-01, (CB/B22/DP01).

Agenda item 2: Declarations and management of potential conflicts of interest

3. There were no potential conflicts of interest declared by meeting participants having regard to the approved agenda.

Agenda item 3: Consent agenda items

4. **Decision:** The Board approves the Meeting Record of the Twentieth meeting, set out in meeting document CB22-02 (CB/B22/DP02).
5. **Decision:** The Board approves the Meeting Record of the Twenty-First meeting, set out in meeting document CB22-03 (CB/B22/DP03), noting that the Chair of the Science, Programs and Partnerships Committee (‘SPPC’) will provide the Board Secretary with two non-material corrections in advance of publication of the minutes.

Agenda item 4: Report from the Governance and Policy Coordination Committee (‘GPCC’)

6. The GPCC Chair introduced the session by:
 - a. Re-stating the earlier agreement of the Board that it would continue to finalize policy matters where relevant to key risks, but would not launch new system-wide policy initiatives;
 - b. Referring to the minutes of the GPCC’s 10 September 2015 meeting (document CB22-18*);
 - c. Confirming that both the CGIAR 2016 – 2020 Diversity and Inclusion Strategy (document CB22-5A) and CGIAR Staff Security Accountability Framework (document CB22-5B) had been approved by the Consortium Board on 8 October 2015 during the Board’s ad-hoc call; and
 - d. Confirming that the remaining policy initiative on the table for deliberations was the proposed re-stated CGIAR Investment Policy Guidelines (document CB22-05).

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7. The GPCC Chair observed that the Investment Policy Guidelines:
 - a. Were a substantially re-stated document that sought to: (i) address more comprehensively the risk of individual misappropriation or misuse of funds by having appropriate checks in place on a systemic basis; and (ii) include clear strategies to spread risk.
 - b. Did not remove Center Board fiduciary responsibility for making sound investment decisions. Rather, the Policy was to provide an additional layer of appropriate assurance.
8. The Board Chair noted that the CGIAR Constitution placed fiduciary risk on the Consortium Board members for Center financial decisions relative to CRPs, and thus such a policy was an important toolkit to manage risk, as were the annual statements of assurance that all Center directors are required to sign and submit to the Consortium.
9. The Consortium CEO acknowledged the potential for considerable work to flow from the operation of paragraph 5.3 (support to identify financial advisers) if Centers submitted a large number of names. However, he also expected Centers to be pragmatic in the use of this provision, with a check to be request of a short list of preferred providers.
10. At the suggestion of a Board member, it was agreed that the Policy would benefit from a footnote that explain that “stakeholders” (as used in the policy, section 9.2) predominantly would mean “donors”.
11. **Decision:** The Consortium Board approves the re-stated CGIAR Investment Policy Guidelines set out in meeting document CB22-05 (CB/B22/DP04).

Agenda item 5: Report of the Audit and Risk Management Committee

Introductory remarks

12. The ARC Chair framed his report to the meeting by reference to the ARC’s collective view that in the normal course of events, the ARC would want to be more proactive and potentially revisit the role of the ARC as set out in its Charter, which document invites an interpretation of an ARC role as broader than what is appropriate in the context of the overall system transition.
13. However, he noted the ARC’s acceptance to be more pragmatic. Not to abrogate its responsibilities, but to prioritize some more than others in the political and operational context in which the ARC currently operates. That said, if circumstances warranted it, the ARC would request specific action by the Consortium Office, potentially with the independent advisory support of the Internal Audit Unit (IAU). He

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confirmed that the ARC would come back to this topic at its forthcoming 4 December 2015 meeting, based on a position paper to be developed by the Consortium's Director of Finance and Corporate Services (FCSD).

14. **Action point:** Agenda for December 2015 Consortium Board meeting to include discussion on the ARC mandate based on a paper prepared by the Consortium's FCSD, as discussed initially by the ARC (CB/B22/AP-01).

Update on the status of implementation of 2015 CRP Financing Plan

15. On funding reductions generally: The Board noted the enormous challenges to longer term research objectives if there are ongoing retroactive cuts to the annual CGIAR research program (CRP) implementation, and the importance of conveying this message to donors in an appropriate way.
16. Further, the adverse change in available W1 funding since the ARC's support at its 9 October 2015 meeting for the reduction from US\$ 266 million to US\$ 248.6 million to be funded through use of the Consortium's own reserves without other adjustments. Specifically, the very late donor decision to retroactively apply in 2015 a movement of funds from W1 into W2. Whilst not a "cut" in overall funding commitments, the Consortium CEO confirmed this adjustment made it untenable to make the final 2015 disbursements according to the March 2015 FinPlan, and the changes to W1 amounts would have to be passed through with much frustration on the part of all.
17. The Board discussed the proposal from one of the Center participants for the Consortium to step away from a pro-rata reduction for the final 2015 disbursement. Instead, adjust the 2015 FinPlan final disbursements according to the performance methodology that was being considered by the joint Consortium Board/Fund Council working group as the basis for 2016 allocations (with the prospect of only US\$ 180 million W1-2 now projected to be available for 2016).
18. Some members of the meeting saw strengths in this approach. Others noted that as the methodology was not yet finished, it would be inappropriate to apply in 2015. Perhaps, also, it would deepen the cuts for those who would be adversely affected by the donor movement from W1 to W2 funding.
19. The very difficult position arising for World Fish from the application of the pro-rata reduction policy agreed with Centers in the start of 2015 was also considered. After discussion, the Board noted the risks to the 2015 FinPlan implementation if individual exceptions were made to the pro-rata policy agreed with all Centers after what were protracted discussions. It was recognized that forward looking adjustments for 2016 might also be very difficult, although one member raised this as a possible topic for further discussion depending on ongoing information from donors on 2016 financial projections.

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20. From a longer term perspective, the importance of the new System Council taking up topics such as the outstanding conversation of the system adopting a pooled reserves system to provide a mechanism to absorb future funding shocks was noted.
21. On the ICARDA investment plan: The FCSD advised that the technical and financial reports due in October 2015 remained outstanding, and payment of the 2015 amounts is conditional on these reports being received and viewed as satisfactory by the Consortium Office.
22. **Action point:** The FCSD will follow up on the reporting from ICARDA and its overall current financial position and update the Board at its virtual meeting on 14 December 2015 (CB/B22/AP-02).

Appointment of External Auditor for 2015 financial year

23. As an updated position compared to that recorded in the ARC's 9 October 2015 meeting minutes (document CB22-17*), and based on further evaluation, the ARC Chair presented the joint ARC/Consortium Office recommendation to retain the Consortium's current external auditors for the 2015 audit year. It was noted that the proposal for the 2015 audit represented considerable value for money compared to other possible bidders.
24. **Decision:** The Board approves the re-appointment of PwC Rome as external auditor for the CGIAR Consortium for the 2015 reporting year. (CB/B22/DP05).

Internal Audit Unit, Report from Audit Oversight Group October 2015 meeting

25. On workplan and budget matters, the IAU Director noted that:
 - a. The 2015 Audit Plan will be delivered by end 2015, or in the early days of 2016. With a number of Centers cancelling audit engagements as a result of Center-level budget cuts, there is expected to be a deficit of US\$ 505,000 for 2015 that, pursuant to discussions with the Consortium CEO would be taken up by the Consortium budget on an exceptional basis.
 - b. All 15 CRP advisory engagements for Phase 1 (Control environment) have been delivered at "draft stage" to Lead Centers and will be reported in final to Participating Centers and the Consortium Office upon receipt of Consortium Office action plans, which for the most part should come from the "Guidance for Full Proposals", to be issued shortly. He confirmed that the purpose of this work was to inform a stronger system-wide internal control framework for the next generation of CRPs, and not a statement of assurance. Emerging lessons were a common need for stronger: (i) internal project management skills based on a common framework; (ii) processes to manage external partner engagements; and

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(iii) processes for due diligence prior to contracting. Findings and recommendations have been shared as appropriate. Additionally, 3 CRP assurance engagements would be delivered by year-end.

- c. Noting point a. above, the audit plan for 2016 is under discussion with the Centers. Whilst risks have not diminished, there are efforts being made by IAU to propose a break-even budget for 2016. It was agreed that the existing annual IAU membership fee of US\$ 30,000 should not change for 2016, and that solutions would need to be found in other components to help deliver a break-even budget.

26. On the forward looking nature of the IAU role, the Board considered the following points:

- a. Just as implementation of the transition plan will alter aspects of the workplan of the current operating bodies as the 'System Office' work plan takes over from the Consortium Office and Fund Office, the role of IAU would potentially change. For that reason, the IAU had proposed a "new business model" at the AOG and ARC October 2015 meetings, with the AOG recommending that a proposal be put to the Transition Team for an 'Independent IAU' model. The proposal had been endorsed by the ARC.
- b. The Centers' DG representative noting the importance of there being increased clarity on what the IAU role will be moving forward: answering to the "Centers" (as is the case now, as a shared service), the System Council, or the broader "system organization". The suggestion was made that the new Council will want a one-stop-shop for internal audit services that serves the donors' needs. At the same time, internal auditors across CGIAR are commonly being expected to deliver the 2nd line of defense role, which is inappropriate¹. A fully independent internal audit function, coordinated with a professional internal control and compliance function would bring a heightened level of assurance at a reasonable cost. Thus, it might be that Centers will feel that they must either develop a compliance and internal control function, or develop their own internal audit capability to continue to strengthen internal systems, while avoiding duplication of auditing tasks. The Center DG advised that Centers were collectively thinking about these issues, and would feed them into the transition team discussions, which would naturally include IAU, the Consortium and others over time.
- c. The IAU Director noting that the model could and should evolve so that some of the current internal audit personnel are re-allocated into internal control

¹ Full model: 1st line of defense: Own and manage risk and control (front line operating management); 2nd line of defense: Monitor risk and control in support of management (risk, control, and compliance functions put in place by management); 3rd line of defense: Provide independent assurance to the board and senior management concerning the effectiveness of management of risk and control (internal audit).

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functions (which as noted above are relatively weak), so as not to lose existing capacity in the system.

- d. Noting the meeting's broad support for an evolved common IAU function, the awareness that it would require centrally committed funding to deliver an effective system-wide internal audit function that meet the various stakeholder needs, with strong staff in place throughout.

27. **Action point:** A joint letter is to be prepared by the Board Chair and ARC Chair to confirm the funding position for the IAU to end 2015, to absorb the budget deficit, and reconfirm the importance of ensuring that audit engagements, and funding for them, be retained in 2016 (CB/B22/AP-03).

Consortium 2015 Financial Update (Document CB22-06*) and 2016 Program of Work and Budget (Document CB22-07, approved 8 October 2015)

28. For 2015: The Consortium CEO reported that absent any other viable funding source, the Consortium would need to absorb a projected US\$ 505,000 IAU budget deficit for 2015. Including the Consortium's payment of its own US\$ 30,000 membership fee, and the March 2015 Board approved contribution of US\$ 500,000 towards the CRP audits, this would take the Consortium's IAU budgetary support for 2015 to more than US\$ 1 million (or approximately 14% of the Consortium's total operating expenses for 2015).
29. The IAU Director noted that the current combined cost of the internal audit function, both at Consortium and Centers levels, was in the order of US\$ 5million, without reaching a fully satisfactory level of oversight. He added that an optimized internal audit function would see approximately US\$ 1 million of these costs move into the internal control aspect at Center level, but not disappear.
30. The Consortium CEO advised that the FCSD and Director IAU were exploring every possible avenue to reduce overall costs without compromising key IAU deliverables, to claw back this unplanned and newly advised deficit. The IAU Director confirmed the agreement with the ARC to present a "break even" budget for the 2016 calendar year with essential elements included, and, most desirably, carry-over issues that had adversely impacted within-budget delivery in 2015 not reoccurring in 2016.
31. For 2016: The Board discussed whether:
 - a. The Consortium should table a voluntary reduction in the Consortium Board/Office's operating expenses for 2016 in excess of US\$ 1 million in advance of the Fund Council's 4 – 5 November 2015 meeting. The Centers proposed this as a solidarity principle, recognizing that substantive cuts will be applied in 2016 to CRP W1-2 income based on latest donor projections. The Consortium Board agreed that any Fund Council applied reduction would be

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actioned immediately, based on a key priority setting exercise. However, noting the very different position of the Consortium vis-à-vis Centers (the latter being empowered to raise bilateral funds), the Consortium Board believed it a poor decision to reduce the Consortium's budget by more than 25% when there was no equivalent reduction in the Consortium's oversight, reporting or legal responsibilities, and no further clarity on how the transition would play out in 2016.

- b. The 2016 PoWB anticipated Board member attendance at Center Board meetings on a routine basis. The Board Chair noted the desirability of Consortium Board members attending meetings if the budget facilitated attendance. Her suggestion was to apply a value for money principle to identifying which meetings a Consortium Board member may attend.

32. **Action point:** Consortium Board members to be informed of Center Board meeting dates for the first half of 2016, with those members interested in attending a specific Center meeting to make a proposal to the Consortium Board secretary for consideration by the Board Chair on a case-by-case basis. (CB/B22/AP-04).

Agenda item 6: 2016 and 2017 – 2022 funding scenarios & resource mobilization actions

Discussions on 2016 FinPlan preparations/ 2017 - 2022

33. The Board was briefed on the ongoing system-wide conversations to support the Consortium Office's preparation of a final 2016 CRP Financing Plan ('2016 FinPlan') for Board approval in December 2015.
34. The Consortium CEO confirmed that US\$ 180 million W1-2 funding was the best forecast at the time of the meeting. He noted that the material now out for consultation had specifically taken up the views of a number of key contributors that a "proportionate" model (as applies for 2015) was far from acceptable in the context of 2016 being seen as a transition year. He passed on the views of a number of contributors, that they could see no value in providing 2016 funding where research is not going forward into 2017-2022 performance reviews are poor.
35. The Board expressed broad support for the underlying methodology in the work to date. A number of Board colleagues noted that there are pros and cons for using the bibliometric data as an input. However, on balance, the element would stay as one part of the performance criteria, but be weighted lower.
36. The meeting was advised that a presentation delivered at the Centers' meeting the week prior identified some points to take into account during finalization of the draft 2016 FinPlan.

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37. **Action point:** Centers' presentation to be circulated to the Consortium Office to assist in ensuring accuracy of the final document that will come to the Consortium Board. (CB/B22/AP-05).
38. The Consortium CEO proposed not to speak to the draft 2017 – 2022 model to address budget fluctuations during the meeting. Instead, he noted the importance of coming back to that model after the Fund Council's discussions on the CRP portfolio design to take forward.

Resource mobilization and strategic communications

39. The Consortium's Director of Strategic Partnerships provided a brief summary of the work being led by the Fund Office to move to a multi-year fund drive as set out in the Fund Office prepared paper for the Fund Council's 4 – 5 November 2015 meeting (*Document CB22-10A*). Two key milestones in that paper are a proposed initial high-level consultation for February 2016 and final pledging conference for June or July 2016 for those donors who would agree to a multi-year funding commitment.
40. Those present at the meeting who have been engaged with the preparation of the document shared a common view that outreach and engagement by those leading the work was less than optimal. Examples of missed opportunities included not including the potential of innovative financing mechanism on board, nor taking up a rich array of Center proposals at a joint resource mobilization community of practice meeting of the Centers in early October 2015.
41. The Board Chair advised that she had earlier stepped down from the resource mobilization senior steering group because of challenges she experienced in stimulating a more inspirational approach to resource mobilization efforts overall. There was also the concern that planned activities for February 2016 were too early, and would be lost in the ongoing transition discussions.
42. Another Consortium Board member noted that numerous communications with the group went unanswered, cementing the Board's general reflection that whilst some activities should necessarily proceed, it would be important to put back a pledging event until later in 2016 when there was a more compelling investment case.
43. The Center representatives confirmed that in the interim they welcomed all the external facing work that the Consortium Office had been doing over 2015, and that this represented the best use of scarce Consortium funding for resource mobilization activities. It was noted that this focus of Consortium effort also left space for the Centers to also be proactive. One Center representative also noted that although a holistic view of who was doing what in resource mobilization was desirable to avoid having people "stepping on each other's feet" when they were approaching potential contributors, the goal may be too aspirational in the current constrained funding environment.

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44. **Action point:** A side letter is to be sent from the Board Chair to the Acting Fund Council Chair to express the Consortium Board’s concerns with the timing of the early pledging events, and propose that more focus be placed on non-traditional and innovative funding sources in the plan itself (CB/B22/AP-06).

Agenda item 7: Report back from Science, Programs and Partnership Committee

45. To introduce the session, the Board Chair noted the expansive nature of feedback on the material tabled by the Consortium following the SPPC’s report of its deliberations in October 2015 (document CB22-11). She made particular mention that both she and the SPPC Chair were deeply dissatisfied with how unrealistic timelines came to result in the Consortium tabling its deliberations without the chance to discuss the SPPC deliberations with Centers in advance. She noted her formal apology to Centers prior to this meeting.
46. She also shared feedback from the Acting Fund Council Chair that his strong preference was for the Fund Council to have a common proposal on the table when the Fund Council met over 4 – 5 November 2015. However, based on the Board Chair’s conversations with Centers and other stakeholders over the past days, she saw that as unrealistic.
47. Instead, her proposal was for there to be a joint Consortium/Center presentation to the Fund Council that identified common ground, noted areas for further discussion, and thereby delivered a “license to operate” over the coming weeks to come up with a common plan to move forward. The Board Chair shared it was her belief that the Fund Council could then re-consider the refreshed portfolio in the coming weeks, and give its green light to the stakeholders to move forward to full proposal development.
48. The SPPC Chair confirmed she had been able to speak to the ISPC Chair about this proposal, with the latter being at that time unconvinced that everyone could move forward to full proposals at the same time. The SPPC Chair said her response had been that it would be important to ask the Centers themselves on whether the 31 March 2016 Full Proposal timeline was possible.
49. The Board Chair then invited the SPPC Chair and Consortium CEO to update the group on ongoing SPPC deliberations. Using ‘heat map’ assessments, early ‘value for money assessments’, and other presentation format materials, key observations included:
- a. An acknowledgement of the incredible work of the Centers to put forward such substantive pre-proposals in the time afforded to them by the Fund Council.
 - b. Confirming the importance of this being the first time in CGIAR’s history that it has been possible to review research proposals for coherence on a whole of portfolio basis. Specifically, this was the first time that the CGIAR system has been able to consider whether there is sufficient coherence between the

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various elements to assess the portfolio itself and test whether, overall it delivers: (i) on the promise of innovation for increased impact; demonstrates CGIAR's real comparative advantage to deliver and clear relevance to the planned outcomes set out in the system-wide approved 2016 – 2030 Strategy and Results Framework; and, therefore (ii) a compelling investment case to donors.

- c. Noting that the preliminary value for money exercise suggested that if all the planned outcomes were delivered, then there would be good overall coverage of the SRF's planned outcomes, although there was more work to be done.
 - d. The importance of the SPPC discharging its duty, with its independent "hat" on, to test fully and transparently the proposition that the portfolio as presented would, if funded, deliver on the 2016 – 2030 SRF's promise of delivering impact from bold new research that maximizes the opportunities afforded by innovations in Big Data and genome sequencing, amongst other areas.
50. As a conclusion to the report that the SPPC Chair delivered, she highlighted the following as the key points that were deserving of further discussion to have the strongest possible portfolio taken forward:
- a. Diversity for genetic gain program: to reach the very demanding SRF targets on yield increase, to link with genebanks and with agri-food systems (AFS);
 - b. Sustainable natural resources management: bringing in the cereals, other major staples, and livestock and fish AFS;
 - c. Two-way engagement with Global Integrating Programs;
 - d. Emphasizing the coordinating and consolidation elements to deliver increased impact: Strong integration of cross-cutting work through enhanced country integration actions; and
 - e. Is there a need for an ecologically orientated perspective for the AFS programs to deliver increased impact?
51. As a matter of record, the presentation delivered during the Board meeting is available here: <http://www.cgiar.org/cgiar-consortium/consortium-board/consortium-board-meetings/cb22/>
52. Recognizing the various perspectives that had been shared over past days (including Centers' views on the disconnect they saw with the manner in which the SPPC's review was tabled), the discussion that followed included a focus on:
- a. Delivering a coherent message to the 2 November 2015 joint Consortium/Centers/Fund Council meeting on the importance of taking a single portfolio approach, with a common timetable for all elements moving

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forward to full proposal stage. It was agreed that a small group would work on that and report back to the Board for agenda item 10.

- b. As the work over the coming weeks progresses, not losing sight of the need for the Centers and Consortium to challenge themselves to be a 21st century research entity that is making stark choices, rather than putting “band-aids” on 20th century approaches. It was stressed that CGIAR is the only organization that can address the resilience and security of food systems as a core objective, and whilst there are existing structures and partnerships, it will be important to ask very carefully whether the portfolio and the planned research within it captures all the strengths and opportunities of the dispersed nature of the CGIAR system, in an efficient and cost-effective manner to maximum comparative advantage.
 - c. For the medium term, considering how to build in lessons learned from the process into the CGIAR System transition work, to elaborate and define more clearly the roles of the various science actors. One of the stimuli for this discussion was the ISPC’s view that they lacked the mandate to review submissions that didn’t fall into a specific format. One suggestion was to consider whether national academies of science and learned societies could be incorporated into the CGIAR model in some way, as others were now doing, to strengthen the overall transparency, independence and rigor of the science function.
 - d. Also looking forward, the Centers’ DG representative shared that Center Board Chairs will be asked to consider a requirement on Center DGs to spend 10% of their time working for the common system and collaborating with the System Office. A reciprocal clause is to be proposed by the Centers to the transition team for the new System Office Executive Director.
53. As a concluding comment to this session, it was noted that a key outstanding question for the system as a whole was how to link limited resources to top priorities, and how to set these priorities in the absence of better direction from the investors on what they want funded over the coming years. It was noted that this, and the related question on how to fund raise for the priority areas, is very complex with the investors not speaking with a common voice.

Agenda item 8: CGIAR system transition – preparation for joint CB/Center/FC meeting

54. Noting that the Transition Team’s papers on the Executive Director selection process and staffing matters were relatively straight forward, the Board Chair asked the Board Secretary to take the meeting through the overall effect of legal approach paper, before opening up the topic to further questions².

² All meeting papers for the joint Consortium/Centers/Fund Council are available at this link: <http://www.cgiar.org/joint-meeting-of-the-consortium-board-and-fund-council/>

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55. By reference to the Board Chair sponsored paper “New System Council – Independent Chair and Vice Chair – Potential Considerations’ (document CB22-14), the Board Secretary summarized the key differences between the two “legal approach” options on the table (the third having been identified by the Transition Team as bringing considerable operational risk, and therefore largely unworkable).
56. The Center Board Chair representative confirmed the Centers strong desire to be full partners in the system. This would translate into full membership at the committee as well as system council level. Further, that the Centers preferred option 2 for the legal arrangements paper, as this kept the Centers as key stakeholders in the approval and signing processes for the legal agreement that would ultimately replace the Consortium Constitution.
57. The Board Chair noted the Consortium’s long standing push for 50/50 representation of Centers and contributors on the System Council. She also updated the meeting on movement that had been made for at least one of the three countries that had earlier blocked Center voting seats on the basis of legal advice that they could not sit on a governing board if it included full membership of beneficiaries of the funds.
58. The Board Secretary confirmed that the documents would be presented at the joint Consortium/Center and Fund Council meeting on the immediately following day by the Transition Team. Thereafter, they would be discussed at the Fund Council’s own meeting over 4 – 5 November 2015, as that was the decision making fora on how to take the material forward.
59. The Board Chair reconfirmed the planned timing for the system transition, with the Transition Team continuing to confirm 1 July 2016 as the end of operation of the Fund Council and Consortium Board. A number of members commented on the very slow progress made on the transition to date, and that the timing of 1 July 2016 appeared overly optimistic absent substantive progress in coming months.

Agenda item 9: Consortium Board Center representatives from 1 January 2016

60. The Centers advised of the following Center representatives for 2016:
 - a. Center DG: Ann Tutwiler (continuing)
 - b. Center DG: David Bergvinson (new)
 - c. Center Board Chair group: Chandra Madramootoo (continuing)
61. **Action point:** Board Secretary to follow up with the CRP Director representative for information on the role for 2016 (CB/B22/AP-07)

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62. **Action point:** A light-touch induction program for the incoming Centers/ CRP representatives, for early in 2016 to be planned and discussed with the Board Chair (CB/B22/AP-08)

Agenda item 10: Taking SPPC pre-Board deliberations on CRP2 portfolio forward

63. Taking into account discussions earlier in the day, the SPPC Chair presented a first draft of a suggested consensus presentation of the Consortium and Centers for the shared Consortium/Centers/Fund Council meeting on 2 November 2015.
64. Through discussions, the meeting agreed on a proposed final draft, with a number of minor edits to be settled overnight. As a matter of record, the revised final joint presentation is accessible here: <http://cgjarweb.s3.amazonaws.com/wp-content/uploads/2015/09/Presentation-by-Marion-Guillou-and-Tony-Simons.pdf>
65. To help take the consensus message forward, the Board agreed to make a revision 1 version of the SPPC's earlier deliberative paper, with adjusted wording to reflect the "input" nature of that paper into a final solution for the portfolio as a whole. As a matter of record, the revised cover page is reflected here: http://cgjarweb.s3.amazonaws.com/wp-content/uploads/2015/11/CB22-11_SPPC-to-CB_CRP-recommendations_Revision1.pdf
66. The Board Chair noted that although there were still unanswered questions (e.g. the strongest approach to leveraging genetic gains for the system as a whole), the work at flagship level could proceed if the Fund Council took up the proposal for there to be up to 4 weeks after the Fund Council meeting for a final solution on the portfolio to be worked out.
67. The Board Chair proposed that the most effective way to achieve this agreement would be to include Fund Council members as well (as had been the case for the 2016 FinPlan working group that continued to operate). This would be the proposal that she would table at the shared Consortium/ CB and Fund Meeting on 3 November, for formal adoption at the Fund Council's own meeting over 4 – 5 November.
68. **Decision:** The Board approves the Board Chair's proposal for the creation of a joint Center/Consortium/Fund Council working group to take forward the CRP2 portfolio discussions to the stage of receiving a "green light" from the Fund Council for full proposals (CB/B22/DP6).

Agenda item 11: Inputs to 2nd call full proposal guidance

69. Noting the ongoing portfolio deliberations, the meeting restricted its discussions to Chapter 5 (budget guidance) of the 'Draft 0' 2nd call Full Proposal guidance document (*Document CB22-13**).

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70. The Consortium CEO introduced the session by offering that the key question is whether it is possible to reinvigorate investor confidence by being much clearer about the use of funds, and also what is being bought with that investment, both in terms of W1-2 funding, and then overall, although noting that the Fund Council does not oversee W3 and bilateral amounts, although a good proportion of this non W1-2 funding contributes to CRP outcomes.
71. The Consortium CEO then presented 4 proposals for input:
- a. Focus the large majority of scarce W1-2 funding on upstream discovery research and associated outcomes;
 - b. Identify the difference between W3 and bilateral funding that is tied to CRP deliver, and then non-CRP Center activity funding;
 - c. Primarily, associate W3 and bilateral CRP funding with scaling up and scaling out to reach millions of beneficiaries through integrated delivery type projects; and
 - d. Have both “core” and then “uplift” budgets, with the latter being the additional outcomes that can be expected if funding over 2017 – 2022 is higher than the current assumed projection of around US\$ 1 billion (W1-2 and W3 and bilateral, combined). Additionally, the proposal to retain some part of the “core” budget to leave room for smoothing in the event of funding shortfalls in the future.
72. He confirmed that various sources of input were continuing to be sought on these suggestions, including from the Fund Council members via its upcoming meeting, and then also through a small group of DGs and CRP leaders that he had formed.
73. The following points were noted for ongoing reflection as the draft Guidance document evolved:
- a. For some, holding back, say, 20% of the “core” funding may be seen as too high, and more flexibility may be required. More work may be required to explain why this is a positive development for the system.
 - b. For a number of Centers, being required to separate clearly W3 and bilateral into “CRP vs non-CRP” may be complex. The Center Board representative noting that his Board had recently considered this question from an audit perspective. Namely, how clear is the accounting process within a Center, to enable easy identification of which pool of funding is being used for which activity?
 - c. From a funders’ perspective, clarity in mapping of funding is a requirement to building on-going confidence that the money is being used for impact. Currently, there are challenges in identifying where the money goes now, and what it produces.

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- d. A key goal for all funders is to avoid double counting, which should not be misunderstood to mean that donors have no tolerance to co-fund activities from the multilateral pool that is W1-2. There is a willingness to provide this financing in full knowledge that it does not allow attribution of impact to a specific donor at the “last mile”. However, it remains critical to know how things have been achieved, and this is lacking in the system currently from the perspective of a number of W1-2 funders.
- e. Care should be taken with language to not send an unintended message on what is meant by the “core” budget. The suggestion to use “base” budget was put forward.
- f. Crucially from an implementation point of view, if there is to be a restriction on what W1-2 can be used for (e.g. predominantly, upscale discovery research, and very little to scaling up and out), then it is essential to have this finalized prior to the pre-implementation phase. It was noted it would be too late during mid-2016 to have a continuing lack of clarity on what is part of which pool of funding. Ensuring clarity from the contributors before issuing the Guidance document was seen as essential.

Agenda item 12: Other business

Additional Center observers

- 74. The Board Chair reported that a number of adhoc requests had been made over the cover of the two prior days for additional Center personnel to join the Consortium Board meeting as observers. These had not been agreed to by the Board Chair on the basis that the Board was already in-session. However, from a principles perspective, she saw no issue in additional non-speaking observer participation by Centers on the proviso that they self-funded their participation (for an in-person meeting).
- 75. **Decision:** The Board approves the inclusion of additional Center personnel as observers at Consortium Board meetings on the proviso that they attend the full meeting, at their cost, and accept the proposal that their role is a non-speaking observer. (CB/B22/DP7).

Board calendar

- 76. The Board noted the following planned dates for its forward-looking meetings:
 - a. **Confirmed: Monday, 14 December 2015 (virtual)**, 3pm- 5pm, Montpellier local time

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- b. **Proposed:** 9 – 10 April 2016 (in-person in South Africa 9 – 10 April 2016), to take advantage of being between the currently planned CGARD3 event in South Africa and the ISPC’s Science Forum in Addis Ababa over 12 – 14 April 2016). *** Subject to change, to be discussed on 14 December 2015 ***

Closed session of the Board

77. The Board met without observers during a closed session of the Board. There was no decision taken during that session and the record of that discussion remains internal to the participants.

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Annex 1 – Record of decisions taken at CB22

Decision: The Board approves the Agenda, set out in meeting document CB22-01, (CB/B22/DP01).

Decision: The Board approves the Meeting Record of the Twentieth meeting, set out in meeting document CB22-02 (CB/B22/DP02).

Decision: The Board approves the Meeting Record of the Twenty-First meeting, set out in meeting document CB22-03 (CB/B22/DP03), noting that the Chair of the Science, Programs and Partnerships Committee ('SPPC') will provide the Board Secretary with two non-material corrections in advance of publication of the minutes.

Decision: The Consortium Board approves the re-stated CGIAR Investment Policy Guidelines set out in meeting document CB22-05 (CB/B22/DP04).

Decision: The Board approves the re-appointment of PwC Rome as external auditor for the CGIAR Consortium for the 2015 reporting year. (CB/B22/DP05).

Decision: The Board approves the Board Chair's proposal for the creation of a joint Center/Consortium/Fund Council working group to take forward the CRP2 portfolio discussions to the stage of receiving a "green light" from the Fund Council for full proposals (CB/B22/DP6).

Decision: The Board approves the inclusion of additional Center personnel as observers at Consortium Board meetings on the proviso that they attend the full meeting, at their cost, and accept the proposal that their role is a non-speaking observer. (CB/B22/DP7).

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Annex 2 – CB22 Participants List

Attendee	Role
Board members/Center representatives	
Lynn Haight	Independent Member and Board Chair
Ganesan Balachander (present for items 6 – 9)	Independent Board Member
Marion Guillou	Independent Board Member
Molly Jahn (present for items 1 – 8)	Independent Board Member
Klaus Leisinger	Independent Board Member
Agnes Mwang'ombe	Independent Board Member
Paul Zuckerman	Independent Board Member
Frank Rijsberman	Ex-Officio Board Member CGIAR Consortium CEO
Chandra Madramootoo	Centers' Board Chair Representative
Tony Simons (present for items 1 – 7, 10 – 12)	Centers' DG Representative
Ann Tutwiler (present for items 1 – 6, 10 – 12)	Centers' DG Representative
Observers	
Carmen Thönnissen (present for items 10 – 12)	Fund Council nominated observer
Board support/subject matter experts	
Karmen Bennett	Board Secretary CGIAR Consortium
Olwen Cussen	Executive Assistant, CGIAR Consortium
Albin Hubscher	Director of Finance and Corporate Services, CGIAR Consortium
Wayne Powell	Chief Science Officer, CGIAR Consortium
Pierre Pradal	Director, Internal Audit Unit, CGIAR Shared Service
Alain Vidal	Director of Strategic Partnerships, CGIAR Consortium
Apologies	
Bas Bouman	CRP Directors' Representative to Board
Jonathan Wadsworth	Fund Council Executive Secretary, Additional Observer

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