Terms of Reference
CGIAR System Management Board’s
ad hoc Working Group 4 on Funding System Actions and Entities

A. Purpose

1. The ad hoc Working Group on Funding System Actions and Entities is established by the System Management Board (“Board”) to work with the (Interim) Executive Director on identifying the actions and entities to be supported through system-level investments, and a fair mechanism with the appropriate incentives for distributing responsibility for system costs.

2. The Working Group serves the Board in an advisory capacity in all matters covered by these terms of Reference (“TOR”). In so doing, it shall be the responsibility of the Working Group to maintain regular and open communication among its members and with the Board.

B. Interpretation and operational context

3. Words and expressions used in these TOR shall, unless the context requires otherwise, have the meaning attributed to them in the Charter of the CGIAR System Organization (“Charter”).

4. The System Organization, including the Board and the Working Group, work in consultation with the System Council in accordance with the terms of the Charter and the CGIAR System Framework (“Framework”) for the benefit of the CGIAR System as a whole.

C. Roles and responsibilities of the Working Group

5. Taking into consideration the functions of the Board as set out in Article 8.1 of the Charter, the Working Group shall have the following roles and responsibilities:

Identifying the actions and entities to be supported through system-level investments

   a. Develop a clear definition of system actions and entities.

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As reflected in SMB1-18, Revision 1 (12 August 2016) System Management Board Committees and Working Groups – Suggested Priorities/Work Plans, which recaps decisions taken by the Board at its 1st meeting on 11 and 13 July 2016 on the Board’s standing committees and proposed working groups.
b. Identify current, and potential future, actions and entities to be supported through system-level investments.

**Identifying costs of system actions and entities**

a. With the support of the System Management Office, review current system costs and recent trends.

b. Where appropriate, and with the support of the System Management Office and taking advice from relevant standing committees and working groups, consider the scope and consequent costs of the identified actions and entities.

c. Propose, for Board consideration, the scope of work and indicative cost of system actions and entities.

**Identifying a fair mechanism for distributing responsibility for system costs**

d. With the support of the System Management Office, analyze the funding mechanisms and modalities currently in operation across the system, and assess their efficacy.

e. Identify appropriate incentives for recovery of system costs. Review and reassess the adequacy of these TOR from time to time and recommend any proposed changes to the Board.

f. Propose, for Board consideration, a fair mechanism for distributing responsibility for system costs.

**Other roles and responsibilities**

g. Perform such other duties required by law or otherwise as are necessary or appropriate to further the Working Group’s purpose, or as the Board may from time to time assign to it.

D. Composition and Chair

*Composition and qualifications*

6. The Working Group will be comprised of six (6) members as follows:
   - (Interim) Executive Director (Working Group Chair);
   - Jimmy Smith, Eugene Terry (Board members)
   - Barbara Wells, Tony Simons, Matthew Morrell (Center DGs)

7. The Working Group will draw on input from Gordon MacNeil, as an additional resource, as required. In addition, two members of the System Council, Eric Witte (USAID), Samy Gaiji (FAO), will attend meetings and act as a ‘sounding board’, but will not be formal members.
Term

8. Working Group members shall serve until 31 March 2017, or when their roles are performed, whichever is sooner. The System Management Board may elect to extend the work of the group by a further ad-hoc term if required.

E. Operations

The Working Group shall operate according to the following guidelines:

9. Meetings: The Working Group shall meet either in person or virtually as determined by the Chair in consultation with the other Group members.

10. Disclosing conflicts of interest: Where a member has a conflict of interest on a specific topic under discussion, they will make the circumstances of the conflict known to the Working Group, to ensure that discussions proceed openly and transparently.

11. Quorum: Three (3) members shall constitute a quorum for the transaction of business, one of whom must be the Chair.

12. Observers: If not a member, the System Management Board Chair may attend meetings of the Working Group. Other external observers may attend meetings contingent upon the Working Group Chair granting prior approval after consultation with the other Group members.

13. Meeting support: The System Management Office carries the responsibility for:
   a. preparation of a draft agenda and meeting materials in advance of discussions;
   b. timely circulation of meeting summaries; and
   c. preparation of materials to support Working Group member requests for additional inputs.

14. Arriving at agreement on matters to be provided as formal inputs into the deliberations of the Board: The Chair should aim for consensus on inputs that are proposed to be put forward to the Board. If consensus cannot be reached, both the majority and minority positions shall be reported, and the Board shall then aim for a consensus position to the System Council.

15. Access to expertise, including consultants: The Working Group in fulfilling its duties under these TOR will draw on expertise the System Management Office, and subject to budget resources permitting, external consultants, individuals and institutions as appropriate taking into account direction, if any, provided by the Board.

16. Delegation of Authority: The Working Group shall have the power to delegate on an exceptional basis its authority and duties to the Chair or individual Working Group members as it deems appropriate.