

CGIAR Governance Transition Plan

Purpose

This document encloses in draft for Board discussion:

Annex 1 – Ongoing actions and responsibilities during the transition period, and key operating assumptions

CGIAR Consortium Transition Planning

Purpose

This document sets out the Consortium's working modalities and operating assumptions for the transition phase from the CGIAR Consortium to the CGIAR System Organization.

It extracts elements from the decisions taken at the Thirteenth Fund Council meeting in April 2013 (FC13, Part A). It then turns to the responsibilities of the Consortium Board (Part B) and Consortium Office (Part C) that remain under the direct control of the Consortium during the transition phase, outlining how the Consortium proposes to take these forward. A number of operating assumptions of the CGIAR Consortium (Part D) will require early clarification to ensure that the CGIAR Consortium can contribute to an efficient and effective full transition by not later than 1 July 2016, but ideally by 31 December 2015.

A. Fund Council April 2015 governance decision and transition arrangements

Extract of FC13 governance decision

2. After reviewing the four options proposed in the paper, the Fund Council agrees to establish a CGIAR System Organization which will be comprised of a CGIAR System Council (System Council) and a CGIAR System Office (System Office), building on the existing legal personality of the Consortium.
7. The System Office will be established in Montpellier to manage the organization and to provide programmatic oversight of the CRPs.
8. The CGIAR System Organization will contract with the World Bank for the provision of fiduciary services.
9. The Executive Director of the System Office will be appointed by, and report to, the System Council, and will be an ex-officio member of the System Council.

Extract of FC13 decision¹ on transition arrangements

1. The transition to the new structure, arrangements and procedures should be initiated immediately in order that the agreed changes and modifications will be in place by July 2016 and that the System Council will be able to meet to approve the second round of CRPs in 2016.
5. The Fund Council Chair is invited to establish the transition team and to invite the Consortium Office, the Fund Office, the ISPC, the Center DGs group, the Trustee and GFAR to appoint staff members to work, as appropriate, with the transition team. Consultants and other experts may be requested to contribute to the team as necessary to complete its work.
6. The team is requested to submit to the Fund Council by end of July 2015 for its approval by mail by September 2015, a transition plan that outlines decisions to be made, steps to be implemented and the partners to be engaged.

B. Consortium Board operating principles for the transition period

1. Noting the not later than 1 July 2016² commencement date for the System Council, and end 2016 replenishment of the CGIAR System Organization, the Consortium Board (Board) will:

¹ Underlined dates are from the final decision circulated on 5 May 2015.

² FC13, Decision on Cross-cutting issues and Transition Arrangements, paragraph 1

- a. Continue to operate according to the 'Consortium 1.2' principles, to ensure Center participation in key strategic decisions that set the future course for the new system entity, Centers and other key stakeholders.
- b. Oversee development and the initiation/finalization/approval, as relevant, of the core responsibilities of the Board as summarized in table 1 below, thereby ensuring that the next generation CRPs commence as planned amongst other key decisions.

Table 1: Selected 2015 – 2016 Consortium Board responsibilities

No	Item	Board Role
1	Between 15 – 31 May, SPPC engagement/input into CRP portfolio design initiatives	SPPC recommendation to inform June Board decision
2	By early June 2015: Approve: • CGIAR Consortium targeted CRP 2nd Call for pre-proposals • Approve Guidance document for 2nd Call for pre-proposals	Final decision maker
3	From 15 August - 6 October 2015: Consideration of pre-proposals based on inputs from Science Team and ISPC inputs (received by 28 September)	Approve for recommendation to FC14 (Week of 2 Nov 2015)
4	By 16 November 2015: Approve CGIAR Consortium CRP 2 nd Call for full proposals	Final decision maker

- c. Through to the end of the transition period:
 - i. Maintain external representation activities, and Center Board engagement activities;
 - ii. Take other decisions that are in the ordinary course of business for the Board, but which do not add to the fiduciary responsibilities of the Board; and
 - iii. Approve as necessary decisions to transform the Consortium Board to the CGIAR System Council according to Article 22 of the Constitution and in compliance with the Board's Rules of Procedures.

2. The Board notes it is prudent to:

- a. Ensure ongoing oversight of the Consortium Office's approved revised 2015 Program of Work and Budget (PoWB) to the extent now relevant, providing direction as required to the Consortium Office on specific policy development initiatives that appear no longer needed.
- b. Not initiate new strategic initiatives for the CGIAR Consortium in advance of the transition.
- c. Continue the Consortium Board membership as presently constituted, and seek Center support for the extension of the terms of those persons' whose terms would naturally expire at 31 December 2015 for the transition period.

- d. Ensure that the Transition Plan submitted to the Fund Council in July for approval by September 2015 puts in place sufficient financial and human resources to effect the transition in a manner that causes no disruption to the core business of CGIAR – its science.

C. Consortium Office operating principles for the transition period

3. The Consortium Office will:
 - a. Under the continuing leadership of the incumbent Consortium CEO, maintain the Consortium Office and its staff, including the return to regular contracts for its staff (from the current temporary one-year contracts), but refrain from the creation of new posts, though it will replace departing staff for established positions, i.e. regular turnover.
 - b. Deliver on the Board-approved Revised 2015 PoWB to the extent now relevant, identifying for the Board those matters that appear no longer required in terms of policy development priorities.
 - c. Engage in the development of a system-wide resource mobilization strategy and maintain external representation activities and climate smart ag initiatives in preparation for COP21 in December 2015 COP21.
 - d. Maintain all normal / routine business such as annual reporting.
4. The Consortium Office nominates Karmen Bennett, Senior Governance Adviser, to work with the Transition Team.

D. Operating Assumptions

Preliminary note: Items marked with * require clarification to facilitate an efficient and effective transition.

Leadership of the System Office

1. The System Office Executive Director appointed by the new System Council once constituted and in-situ*. As may be relevant, a transition plan from the Consortium CEO to the System Office Executive Director will seek to ensure minimal disruption to the second call proposal review and approval process.

Legal agreements

2. The following legal documents will require revision/termination/replacement to varying degrees:
 - a. Revision of the Consortium Constitution in accordance with Article 22: To transition from the Consortium Board to the System Council, and otherwise adapt to revised governance arrangements.
 - b. Termination of the Joint Agreement between the Fund Council and Bioversity International in accordance with Section 28: A new document may be required to outline

the responsibilities of the new governance system if not taken care of in the new System Council Constitution.

3. The name change of the CGIAR Consortium to the CGIAR System Organization (or CGIAR) can initially be informal and used as a trading name, until the formal name change is recognized through the appropriate legal procedures (which may take considerable time).
4. Subject to advice to the contrary from the relevant authorities, the International Organization Establishment Agreement and the Headquarters Agreement to operate in France, are unlikely to require amendment.

Center engagement in the new System Council

5. The CGIAR member Centers will remain members of the new CGIAR System Organization, though their rights will change from electing the Consortium Board to electing their two representatives on the new Council (as voting or non-voting members, as is finally determined after consultations with the relevant donor governments).
6. The member Centers will determine how to organize their own representation, e.g. through a Centers' committee of all DGs and Board Chairs, advising their joint two Center Council members, or a separate DG committee and Board Chair committee each advising their own representative.

Trustee, fiduciary services, and ultimate fiduciary responsibility

7. The new CGIAR System Organization will continue to contract with the Trustee (upstream) and the CRP Lead or Host centers downstream and will maintain the fiduciary responsibility for the CRPs. Fiduciary services* will be contracted out to the World Bank (to be determined what those are).

System office operations and cross-Center collaboration

8. The CGIAR System Office will have programmatic oversight of the CRPs, through a science team comprised of Program Officers dedicated to specific CRPs (as described in the Options Team report), with the ISPC and IEA providing independent / external advice to the System Council.
9. The new CGIAR System Office will continue to facilitate and support the Communities of Practice.
10. The new CGIAR System Office will continue to facilitate and support shared services, at the demand of the member centers, and host the Internal Audit Unit as a system shared service, together with other shared service providers, particularly AIARC.