

# CGIAR SYSTEM FRAMEWORK

(June 2016)

## **CGIAR SYSTEM FRAMEWORK**

**(June 2016)**

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## **Introduction**

1. The Consultative Group on International Agricultural Research was established as a global partnership in 1971. After several reforms, in December 2009, a new framework of overarching principles was agreed between the centers and the funders to give rise to a reformed CGIAR as set forth in the CGIAR Joint Declaration. On April 29, 2010, the Consortium of International Agricultural Research Centers (“CGIAR Consortium”) was established as a joint venture between the 15 International Agricultural Research Centers supported by the Consultative Group on International Agricultural Research. On July 20, 2012, the CGIAR Consortium obtained international organization status pursuant to the agreement establishing the Consortium of International Agricultural Research Centers as an international organization and operated in accordance with the rules set forth in its constitution. In 2016, the Centers and Funders agreed to this CGIAR System Framework that provides for a System Council and a CGIAR System Organization. The CGIAR System Organization is to be established in accordance with the CGIAR System Charter which will replace the constitution of the CGIAR Consortium.
2. The purpose of the CGIAR System is to advance agri-food science and innovation to enable poor people, especially women, to better nourish their families, and improve productivity and resilience so they can share in economic growth and manage natural resources in the face of climate change and other challenges.

## **Definitions**

In this CGIAR System Framework, unless the context otherwise requires:

- a) “Active Observers” means those entities identified in Article 3 and which have the right to participate in deliberations of the System Council and to propose agenda items and make presentations for such deliberations. An Active Observer does not have a right to vote.
- b) “Centers” means those independent research organizations that are recognized as CGIAR Research Centers contributing knowledge, technical expertise, and resources in support of the CGIAR Strategy and Results Framework. As of the date of agreement of this Framework, the following 15 research organizations are recognized as CGIAR Research Centers: AfricaRice, Bioversity International, Center for International Forestry Research (CIFOR), International Center for Agricultural Research in the Dry Areas (ICARDA), International Center for Tropical Agriculture (CIAT), International Crops Research Institute for the Semi-Arid Tropics (ICRISAT), International Food Policy Research Institute (IFPRI), International Institute of Tropical Agriculture (IITA), International Livestock Research Institute (ILRI), International Maize and Wheat Improvement Center (CIMMYT), International Potato Center (CIP), International Rice Research Institute (IRRI), International Water Management Institute (IWMI), World Agroforestry Centre (ICRAF) and WorldFish.

- c) “CGIAR Policy” means a policy that is (i) a strategic, system-wide policy, which is critical to maintaining the reputation of the CGIAR System, proposed by the System Management Board and approved by the System Council, or (ii) any other policy that may be adopted by the System Organization in accordance with its procedures for the adoption of CGIAR policies.
- d) “CGIAR Portfolio” means the research programs and/or platforms carried out by the Centers and the CGIAR System Partners in support of the CGIAR Strategy and Results Framework and which are supported by (i) the CGIAR Trust Fund and/or (ii) bilateral sources contractually aligned to such programs and/or platforms.
- e) “CGIAR Research” means the research carried out by the Centers and the CGIAR System Partners in support of the CGIAR Strategy and Results Framework.
- f) “CGIAR Strategy and Results Framework” means a document setting forth the common goals, strategic objectives and results to be achieved by the CGIAR System. The document may be revised and updated from time to time.
- g) “CGIAR System” means, when taken together as a collective whole, a reference to the Centers, the Funders, the System Council, the CGIAR System Organization, and the advisory bodies as set forth in Article 2, and CGIAR Research.
- h) “CGIAR System Charter” means the legal instrument governing the CGIAR System Organization.
- i) “CGIAR System Organization” or “System Organization” means the international organization governed by the CGIAR System Charter, with its organs being the System Management Board and System Management Office.
- j) “CGIAR System Partners” means all organizations external to the CGIAR System that contribute to, or support the delivery of, the CGIAR Strategy and Results Framework. They include national agricultural research and extension systems, universities and advanced research institutes, policy bodies, global and regional fora, intergovernmental organizations, non-government organizations, private-sector companies, farmers/producers and consumers.
- k) “CGIAR Trust Fund” means the trust fund(s) established by the trustee for contributions from Funders to provide funding for the activities of the System Organization and for CGIAR Research.
- l) “Funders” means those entities that contribute funding to Centers in support of the CGIAR Strategy and Results Framework and to the activities of the CGIAR System Organization, either through the CGIAR Trust Fund or through bilateral contributions.
- m) “Independent Evaluation Arrangement” or “IEA” means the functionally and operationally independent service advising the System Council, providing accountability,

contributing to learning and supporting decision-making through the conduct of independent, external evaluations in order to provide the CGIAR System with objective, contemporary and cost-effective information on the overall performance of CGIAR Research and the functions and structures of the CGIAR System. The IEA is functionally independent from the System Organization and the organization hosting the IEA.

- n) “Independent Science and Partnership Council” or “ISPC” means a standing panel of experts appointed by the System Council to serve as an independent advisor to the System Council on science and research matters, including strategies for effective partnerships along the research for development continuum. ISPC is functionally independent from the System Organization and the organization hosting the ISPC Secretariat.
- o) “Internal Audit Function” means the arrangements agreed between the System Council and the System Management Board to provide independent and objective assurance and advisory services to the System Council and the System Management Board.
- p) “Partnership Forum” means a forum for the CGIAR System and CGIAR System Partners to discuss and exchange views about the CGIAR System and the CGIAR Strategy and Results Framework with the scope set forth in Article 12.
- q) “System Council” means the strategic decision-making body described in Articles 3-8 that keeps under review the strategy, mission, impact and continued relevancy of the CGIAR System.
- r) “System Management Board” means the governing body of the System Organization described in Articles 7-9 of the CGIAR System Charter.
- s) “System Management Office” means the office, led by an Executive Director, that is responsible for the day-to-day operations of the System Organization, the System Management Board and the System Council and facilitates collaboration within the CGIAR System in fulfilling the mission of the CGIAR System and the goals of the CGIAR Strategy and Results Framework.
- t) “Unrestricted Funding” means funding from the CGIAR Trust Fund that has not been designated by a Funder for a specific Center or research program.

## **Article 1. Guiding Principles**

The Guiding Principles of the CGIAR System are set forth in the annex to this CGIAR System Framework and are intended to guide the development of policies, procedures, guidelines and operations of the CGIAR System.

## **Article 2. Structure of the CGIAR System**

The CGIAR System shall have the following structure:

- a) The **Centers** are independent and autonomous organizations with their own governance structures, which focus on effective conduct, delivery and impact of the CGIAR research for development when working with CGIAR System Partners within the CGIAR Strategy and Results Framework. The Centers deliver innovative research outcomes within the CGIAR Strategy and Results Framework based on resources provided by the Funders, within the institutional architecture for international development including the Sustainable Development Goals.
- b) The **Funders** provide guidance and financial resources for CGIAR Research and for agreed operations of the System Organization. Representatives of Funders and developing countries meet as a **System Council** to keep under review the strategy, mission, impact and continued relevancy of the CGIAR System in a rapidly changing landscape of agricultural research for development.
- c) The governing and administrative bodies of the **System Organization** are the **System Management Board** and the **System Management Office**, respectively. The System Organization facilitates and oversees effective and efficient development and implementation of the CGIAR Strategy and Results Framework. The System Organization enters into agreements with the trustee of the CGIAR Trust Fund, Funders, Centers and other relevant entities for funding CGIAR Research activities and other activities of the CGIAR System funded through the CGIAR Trust Fund.
- d) The System Organization, the System Council, Centers and Funders benefit from the advice of the following:
  - i. Independent Evaluation Arrangement;
  - ii. Independent Science and Partnership Council; and
  - iii. Internal Audit Function.

## **Article 3. Composition of the System Council**

3.1 The System Council shall consist of:

- a) Up to **twenty voting members** as follows:

- i. up to fifteen representatives of Funders; and
- ii. five developing country representatives that are either Funders, or countries hosting a Center, or countries with significant national agricultural systems.

b) **Ex-officio non-voting members** as follows:

- i. the Chair of the System Council;
- ii. the Co-Chair of the System Council;
- iii. the Chair of the System Management Board;
- iv. the Executive Director of the System Organization;
- v. two center representatives to be appointed by the Centers; and
- vi. one representative from each of the following entities, provided that if any such entity is a voting member or an alternate of the System Council such entity may not also participate as an ex-officio non-voting in the System Council:
  - a. Food and Agriculture Organization of the United Nations;
  - b. International Fund for Agricultural Development; and
  - c. World Bank.

3.2 The following shall have the right to appoint a representative to participate as an Active Observer at System Council meetings:

- a) Global Forum on Agricultural Research;
- b) IEA; and
- c) ISPC.

3.3 The following shall be invited to attend the System Council meetings:

- a) the Chair of the System Council's Audit and Risk Committee, if that person is not otherwise a member of the System Council;
- b) the host country of the System Organization; and
- c) the trustee of the CGIAR Trust Fund.

3.4 Each voting member, non-voting member, and Active Observer may appoint an alternate that may attend System Council meetings and, if necessary, serve in their stead.

3.5 All System Council members and Active Observers shall act in good faith in the interests of the CGIAR System, shall act according to the System Council's policy on ethics and conflicts of interest, and shall respect the conflict of interest obligations of the entities they represent.

#### **Article 4. Appointment of System Council voting members and alternates**

4.1 Every three years each of the two categories of voting members set forth in Article 3 shall consult and agree upon their constituencies, which may be comprised of one or more governments or organizations, and inform the System Management Office of their agreement.

For purposes of the inaugural System Council, the Funders have agreed on the eligibility criteria for selecting their System Council members and alternates as set forth in Annex B in this CGIAR System Framework.

4.2 Each constituency shall agree upon its process to select its voting member and alternate, taking into consideration the desirability of ensuring diversity, including gender, at the System Council level, and shall inform the System Management Office of the name and contact information of its voting member and alternate. Each constituency shall decide upon the rules and procedures that will guide how the members of the constituency will relate to each other.

4.3 A vacancy resulting from death, resignation or any other reason shall be filled in the same manner in which the original holder of the position was appointed or selected.

4.4 Each constituency shall endeavour to ensure that its member, or alternate in the absence of the member, can take decisions on matters before the System Council. System Council members shall not be required to take decisions or actions that conflict with the governing instruments and official rules of the entities they represent.

## **Article 5. System Council Chair and Co-Chair**

5.1 The System Council shall appoint a Chair who will serve four year terms. The World Bank has a standing invitation to nominate a senior manager in a substantive area related to the work of the CGIAR System to serve as Chair and has accepted to nominate the inaugural Chair. If the World Bank declines this invitation for a future term, the Chair shall be elected by the System Council.

5.2 The System Council shall appoint a Co-Chair for each meeting from among its voting members.

5.3 The Chair and Co-Chair shall act in an impartial manner.

5.4 In cases where the Chair is selected from among the then-current System Council voting members or their alternates, the respective constituency represented by such person shall appoint a new System Council member or alternate, as the case may be, to fulfill the functions of the System Council member or alternate. The Co-Chair's alternate, or a temporary alternate appointed by the Co-Chair, shall fulfill his/her functions as a System Council member during the meeting for which the Co-Chair has been elected.

5.5 The System Council shall approve terms of reference for the Chair.

## **Article 6. Functions of the System Council**

6.1 The functions of the System Council shall be to:

### ***Vision, strategic direction and advocacy***

- a) review and approve the CGIAR Strategy and Results Framework, and undertake the following related activities:
  - i. initiate foresight activities on ongoing trends, opportunities and risks in science and agricultural research and in their potential to contribute to the CGIAR's overall development goals;
  - ii. initiate and approve a process for the development of the CGIAR Strategy and Results Framework;
  - iii. review and approve strategic priorities, taking into account the advice of ISPC and the recommendations of the System Management Board on prioritization;
- b) promote a greater recognition of the role of food, nutrition, agriculture and the management of natural resources in sustainable development in international political fora, and in particular the role of agricultural research in achieving these goals;
- c) support and guide the CGIAR System's contribution to the United Nations Sustainable Development Goals and other relevant global initiatives;

### ***Governance***

- d) provide input into: (i) the selection of the Executive Director by the System Management Board, through review and endorsement of the terms of reference for the position and the process, and (ii) the annual performance review of the Executive Director;
- e) approve the terms of reference for ISPC and IEA and any other advisory bodies to the System Council that set forth their purposes and functions, taking into consideration input from the System Management Board;
- f) select the Chair and members of the ISPC, taking into account recommendations submitted by a search committee, request the organization hosting the ISPC secretariat to enter into appropriate contractual arrangements with the ISPC Chair and members in accordance with the ISPC terms of reference and the hosting agreement, and ensure a process for conducting annual performance reviews;
- g) select the head of IEA, taking into account recommendations submitted by a search committee, request the organization hosting the IEA to enter into appropriate contractual arrangements with the head of IEA in accordance with the IEA terms of reference and the hosting agreement, and ensure a process for conducting annual performance reviews;
- h) review and provide input into the terms of reference and process for fulfilling the Internal Audit Function;
- i) ensure, through the Audit and Risk Committee, that arrangements for the Internal Audit Function provide sufficient system-wide assurance consistent with the risk management framework of the CGIAR System and that such arrangements are appropriately funded;
- j) review findings and follow-up emanating from the Internal Audit Function;
- k) identify and approve those CGIAR Policies that are strategic, system-wide policies that are critical to maintaining the reputation of the CGIAR System;
- l) approve the risk management framework of the CGIAR System;

### ***Partnership engagement and resource mobilization***

- m) consider deliberations of Partnership Fora for enhancing the overall effectiveness and efficiency of the CGIAR System;
- n) monitor financial resources to support the implementation of each CGIAR Strategy and Results Framework;
- o) to the extent possible, provide timely information on budgetary outlook and anticipated changes in funding levels for the CGIAR Trust Fund;

### ***Financial and programmatic performance***

- p) approve, taking into account advice from the ISPC and proposals from the System Management Board, guidelines and criteria for prioritization and for annual allocation of Unrestricted Funding across CGIAR Research based on strategic priorities and performance;
- q) approve proposals and indicative funding from the CGIAR Trust Fund within the CGIAR Strategy and Results Framework submitted by the System Management Board;
- r) review annually work programs and financing plans for CGIAR Research and provide strategic guidance to the System Management Board on CGIAR Research;
- s) approve allocation of Unrestricted Funding for CGIAR Research, taking into account advice from the ISPC and proposals from the System Management Board;
- t) review and approve a process, based on a proposal to be submitted by the System Management Board, for the preparation and approval of multiyear, consolidated business plans and budget projections for the administrative costs of the CGIAR System and the means by which such costs can be financed, recognizing the collective responsibility of the System Council and System Organization for such costs;
- u) approve annual work programs and budgets, based on agreed multiyear consolidated business plans and budget projections and a proposal to be submitted by the System Management Board that includes submissions by the System Council advisory bodies and other relevant entities and the trustee of the CGIAR Trust Fund, to provide resources to finance the administrative costs of the CGIAR System;
- v) approve an integrated framework for a performance management system for CGIAR Research;
- w) review the annual portfolio analysis and program reports on the CGIAR Portfolio;
- x) review an annual report from the System Management Office on external relations and outreach;
- y) approve strategic action to ensure results and continued relevancy of agricultural research for development, taking into consideration input from the System Management Board;
- z) approve CGIAR system-wide formats for, and periodicity of, financial reporting for the CGIAR System that accords with internationally recognized financial reporting standards;
- aa) review the consolidated system-level annual financial and programmatic reports on CGIAR Research submitted by the System Management Board and provide feedback to the System Management Board;
- bb) review information on corrective actions taken by the System Management Board under funding agreements with Centers and the risk management framework;

## ***Evaluations and Impact Assessment***

- cc) approve, in consultation with the System Management Board, a cost-effective, multi-year evaluation plan proposed by IEA covering evaluations of the CGIAR Portfolio and the structures and functions of the System Organization;
- dd) endorse plans coordinated by the System Management Board, with input from IEA, to periodically commission governance and management reviews of Centers to complement the evaluations of the CGIAR Portfolio;
- ee) request the IEA to commission periodic (8 to 10 years) independent evaluations of the effectiveness of the CGIAR System to deliver on CGIAR's vision and mission, and after considering the results of the evaluation and responses, recommend strategic follow-up action;
- ff) review and endorse IEA evaluations of the CGIAR Portfolio, functions and structures, taking into account input from the System Management Board and Center management responses;
- gg) approve plans and financing of ex-post impact assessment of the CGIAR Portfolio proposed by the ISPC after consultation with the System Management Board; and
- hh) in consultation with the System Management Board, work toward cost-effectiveness and complementarity in the overall system of evaluations and reviews at all levels.

6.2 The System Council shall exercise any other functions attributed to it in this CGIAR System Framework and the CGIAR System Charter.

## **Article 7. System Council operations**

### **Meetings**

7.1 The System Council shall meet as often as necessary, but not less than twice per year in ordinary session. The rules of procedure shall provide for the location and arrangements for the conduct of meetings, including the convening of extraordinary meetings.

7.2 System Council meetings may be held face-to-face, by video or audio-conference or any other electronic communication medium that allows System Council members to follow and contribute to discussions as they occur in real time.

### **Quorum**

7.3 The System Council may conduct business only when the following are present:

- a) a majority of its voting members;
- b) voting members representing a majority of the contributions from constituencies calculated in the manner approved by the System Council from time to time after consultation with the Funders; and
- c) the System Council Chair or Co-Chair.

## **Decision-making during a meeting**

7.4 The System Council shall use best efforts to make all decisions by consensus. The Chair shall ascertain a consensus. For purposes of this CGIAR System Framework, consensus is a procedure for adopting a decision when no voting member in the decision-making process blocks a proposed decision. It does not necessarily imply unanimity. A dissenting voting member, who does not wish to block a decision, may state an objection or reservation by attaching a statement or note to the decision.

7.5 If all practical efforts by the System Council have not led to consensus, a vote may be called by:

- a) any voting member of the System Council seconded by another voting member of the System Council; or
- b) whichever of the Chair or Co-Chair is acting as the chair of the particular session.

7.6 The Chair shall determine, after consultation with the System Council, the timing for a vote. In circumstances where a vote is taken, decisions require an affirmative vote representing both:

- a) a two-thirds majority of those System Council voting members present; and
- b) a two-thirds majority of the contributions from Funders represented on the System Council. Each System Council voting member shall cast separately the votes of each of the Funder(s) within the constituency he/she represents. For the purpose of voting power, the contributions shall be determined in accordance with the same weighted values and time period used for the determination of eligibility for the voting seats on the System Council.

7.7 All decisions of the System Council shall be recorded in a summary of the System Council meetings approved by the System Council, communicated, published and retained in the permanent records of the System Organization.

## **Decision-making without a meeting**

7.8 In the circumstances set forth in its rules of procedure, the System Council may be requested to approve a decision by electronic means using a no objection procedure in lieu of a meeting. System Council members and Active Observers shall be provided with sufficient background materials and a proposed decision text in such requests. Active Observers shall be able to provide to the System Council their concerns on such decision within seven (7) calendar days following receipt of the background materials and proposed decision text. System Council members shall be provided with no less than fourteen (14) calendar days to state an objection. Should an objection be received from any System Council member and not retracted before the deadline for objections, the decision shall not be considered approved. A decision that is not approved can be revised and resubmitted for consideration by the System Council, at a meeting or electronically, at the decision of the Chair.

## **Closed sessions**

7.9 Notwithstanding Article 7.3, at the determination of the Chair, the System Council may conduct business in a closed (executive) session where the voting members and ex-officio non-voting members may be present unless the Chair decides otherwise. Active Observers shall be invited to attend the closed session unless the Chair decides otherwise. The Chair may invite others to attend as appropriate in the circumstances. The outcomes of a closed session shall be made public in open plenary if a decision is taken that has a material impact on the CGIAR System.

## **Article 8. System Council Committees**

8.1 The System Council may establish committees of the System Council, and other ad-hoc working groups and task teams, as it deems appropriate to carry out the work of the System Council.

8.2 The System Council shall have the following standing committees:

- a) an **Audit and Risk Committee**, with a majority of independent members, the purpose of which shall be to provide: the System Council with assurance of the completeness and effectiveness of the Internal Audit Function and the independence of external audit functions; a structured reporting line between internal and external auditors and the System Council; and oversight of system-wide governance, risk management and internal controls; and
- b) a **Strategic Impact, Monitoring and Evaluation Committee**, the purpose of which shall be to assist the System Council in review of research program evaluations, oversight of the strategic direction of the System Organization and efficiency, effectiveness and impact of CGIAR Research.

8.3 Committees and other ad-hoc working groups and task teams shall have such authorities as delegated to each of them by the System Council and set forth in their terms of reference. The terms of reference for all committees, working groups and task teams shall include the process for appointment of committee members, including the appointment of qualified individuals or representatives other than voting members or their alternates, and attendance at meetings.

## **Article 9: CGIAR System Organization**

The CGIAR System Organization shall be comprised of:

- a) The System Management Board; and
- b) The System Management Office.

## **Article 10. System Management Board**

The System Management Board is the governing body of the System Organization. It shall have the composition, functions and operational procedures set forth in the CGIAR System Charter.

## **Article 11. System Management Office**

The System Management Office, headed by an Executive Director, shall be responsible for the day-to-day operations of the System Organization, and shall undertake the functions set forth in the CGIAR System Charter.

## **Article 12. Partnership Forum**

12.1 The Partnership Forum provides stakeholders who actively support the CGIAR System with a forum to express their views on CGIAR's operations, including:

- a) any proposed CGIAR Strategy and Results Framework;
- b) the implementation of the CGIAR Strategy and Results Framework, on which they may provide feedback to the System Council and System Organization; and
- c) ongoing trends, signals and risks in local, regional and global contexts in science and in the field of agricultural research for development.

12.2 The Partnership Forum shall be convened by the System Organization at least every three years and co-chaired by a representative of the Centers and a representative of the Funders.

## **Article 13. Trustee**

There shall be a trustee for funds contributed to a CGIAR Trust Fund. Such trustee shall have the responsibilities agreed between the trustee and the System Organization and the Funders who contribute through a CGIAR Trust Fund, as applicable.

## **Article 14. Effectiveness of the CGIAR System Framework**

This CGIAR System Framework shall be effective upon: (i) its approval by the Centers and Funders as reflected in the decisions of their meeting in June 2016, and (ii) the entry into force of the CGIAR System Charter as an amendment to the Constitution of the Consortium of International Agricultural Research Centers in accordance with its terms. A copy of this CGIAR System Framework shall be annexed to the agreement between the System Organization and each Funder.

## **Article 15. Resolution of Concerns about the Operation of the CGIAR System**

The System Council, the System Management Board, a Center or a Funder may raise with the Executive Director any concern that the CGIAR System is not operating effectively and efficiently, or that the CGIAR System is not operating as intended under this CGIAR System Framework or the CGIAR System Charter. If such a concern is raised, the Executive Director shall consult with the Chairs of, respectively, the System Council and the System Management Board to address such concerns in accordance with this CGIAR System Framework and the CGIAR System Charter, and taking into account, when necessary, the agreed Guiding Principles for the Governance of the CGIAR System annexed to this CGIAR System Framework. The Executive Director shall inform the System Council and the System Management Board about the conclusion of such consultations and any recommendations as to how to address the concern that has been raised. Before action is taken on such recommendations, such action shall be approved by both the System Council and the System Management Board.

## **Article 16. Amendment**

This CGIAR System Framework may be amended upon the agreement of:

- a) the System Council;
- b) the System Management Board; and
- c) two-thirds of the Centers.

## **Annex A: Guiding Principles for the Governance of the CGIAR System<sup>1</sup>**

### ***Preamble***

1. CGIAR is a global partnership first established as the Consultative Group on International Agricultural Research in 1971. It is the world's leading partnership for research for development of sustainable agri-food systems in developing countries. Its vision is a world free of poverty, hunger, malnutrition, and environmental degradation.
2. The CGIAR System has unparalleled capacity to mobilize people, science, resources, and infrastructure in more than 60 countries to build capacity in, conduct and integrate breakthrough research with delivery to millions of farmers and other players in the agri-food system, including consumers. CGIAR's work is undertaken with the proactive engagement of CGIAR System Partners who are interested in collaborating with the CGIAR System to deliver on its research agenda, and/or benefit from the global knowledge, products, and technologies that the system generates.
3. CGIAR regards the results of its collaborative research for development activities as global public goods, and is committed to their widespread diffusion and use in line with the International Treaty on Plant Genetic Resources for Food and Agriculture<sup>2</sup> and the CGIAR Principles on the Management of Intellectual Assets<sup>3</sup>, thus delivering maximum possible access, scale and scope of impact, and sharing of benefits to advantage the poor, especially farmers in developing countries.<sup>4</sup>
4. CGIAR undertakes its research within a Strategy and Results Framework. Designed at a whole of portfolio level, the Strategy and Results Framework provides a framework for CGIAR research program development, priority setting, and resource development and allocation for successive periods.

### ***Guiding Principles of the CGIAR System***

5. **Governance of the System should enable the Centers and CGIAR System Partners to conduct high quality research for development.** The CGIAR System should support national development programs and their commitments to the Sustainable Development Goals in the agri-food sector. Effective governance should focus on strengthening and promoting an

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<sup>1</sup> As agreed at the meeting of Centers and Contributors in February 2016, these guiding principles are included as they were adopted by the meeting

<sup>2</sup> The maintenance of genetic resources is at the very heart of CGIAR's work, such that CGIAR is committed to holding in trust these unique genetic resources for agriculturally significant species of central importance to advance and sustain productivity for the world's smallholders in the 21st century.

<sup>3</sup> The CGIAR Principles on the Management of Intellectual Assets set out the Center and Funders' agreed basis for the use and management of Intellectual Assets produced or acquired by CGIAR from its research and development activities, and are incorporated into these principles by reference.

<sup>4</sup> CGIAR aims to make available key research-based information and knowledge to inform high-level policy debates and advocacy work in global fora, from the United Nations General Assembly and specialized multilateral channels, to key countries and multi-stakeholder platforms.

effective and efficient research-oriented partnership by creating the framework, incentives, and conditions through which high quality results and impacts can be achieved.

**6. Governance practices across the CGIAR System should engender mutual respect and trust in the value of collaboration.** The Centers are recognized as having the experience and capability to ensure effective conduct, delivery and impact of the CGIAR System's research for development when working in close partnership with external (both national, regional and global) research and development partners, including the private sector. The CGIAR System's effectiveness depends on strong, dynamic, well managed and well-resourced Centers that can attract and retain the best global talent, conduct impactful research, convene and direct collaborative programs with leading institutions around the world, and build upon accumulated "local" knowledge to design programs of research that work in the globally decentralized CGIAR System. Centers and Funders should have adequate voice and influence in the governance of the System Organization.

**7. Effectiveness, efficiency, transparency, and impact should be key performance criteria for the CGIAR System.** All CGIAR System entities should meet high standards of efficiency, effectiveness, transparency, and value for money. Impacts on the ground should be demonstrable and measureable. With a view to greater local coherence and alignment with national systems, the CGIAR System should strive for greater integration of its activities through joint planning and partnerships. Policies and procedures to plan, implement, and oversee the CGIAR System should be clear, unambiguous, functional, cost effective, and flexible in order to respond to changing circumstances. Policies and administrative structures should strive for simplicity in promoting the effective and efficient delivery of critical functions while avoiding overlaps and redundancies.

**8. A foundational principle of the CGIAR System is collective responsibility and mutual commitment.** Centers and Funders have a collective, sustained and mutual commitment for fulfilling the mission and goals of the CGIAR System. Centers and Funders should live up to commitments they respectively make.

**9. The CGIAR System requires effective leadership to support the achievement of its objectives and to mobilize financial support for the CGIAR System.** Effective leadership should promote a common vision and coordination of functions to avoid duplication or conflict, ensure clarity, internal complementarity and coherence, and communicate consistent messages with CGIAR System and external partners.

**10. The CGIAR System entities should have clearly defined roles, responsibilities, accountabilities and oversight functions.** The new structure will manage potential conflicts of interest and be most effective if roles, responsibilities, accountabilities and oversight functions are defined with sufficient precision to be unambiguously interpreted and fulfilled by actors across the CGIAR System. Responsibilities should be assigned to those entities that can most efficiently and effectively fulfill them. The CGIAR System entities should demonstrate accountability to its ultimate beneficiaries.

**11. A fundamental principle of the CGIAR System is that the whole should be greater than the sum of the parts.** CGIAR-wide programs, such as CGIAR research programs and platforms, are especially important mechanisms to achieve this principle, as is the multi-stakeholder nature of system governance. Centers should continue to identify opportunities to collaborate in complementary ways that maximize impact.

**12. The principle of subsidiarity should guide policies and implementation, and overreach must be avoided.** The Centers should be responsible for system functions that can be more efficiently and effectively executed by them and by CGIAR research programs and for the use of funds provided to them. Center Boards have legal, governance and fiduciary responsibilities of their own, and these must be fully recognized and respected. While it is expected that cross-cutting and system-wide policies, procedures and guidelines can facilitate collaboration and an effective and efficient CGIAR System, the System Council decisions should allow Centers and their Boards flexibility to adapt policies, procedures and guidelines appropriate to the needs and conditions of individual Centers while achieving the goals and expected results of such cross-cutting and system-wide guidance. The principle of subsidiarity should also be respected by Centers as they cooperate with CGIAR System Partners.

**13. The CGIAR System should have a strong, visible system profile based on streamlined, system-level monitoring, and impact assessment, and evaluation of programs and performance in relation to the SRF and CRPs.** A robust performance monitoring system needs to be in place, which includes consolidated reporting at the system-level. There should be no redundancy in program and financial reviews and reports. Maximum use should be made of reviews conducted by CGIAR research programs and the Centers so that maximum staff time and resources can be focused on the core business of research for development. The CGIAR System will make use of independent evaluation of its programs and institutions to assess the relevance, quality, development efficiency, effectiveness, impact and sustainability.

**14. Corrective action, when required, should be targeted.** All entities funded by the CGIAR System should be accountable for the proper use of funds provided to them and for compliance with CGIAR System policies, procedures and guidelines applicable to them. Reporting back on compliance monitoring to the System Organization should be through regular reporting and independent system reviews and in accordance with other agreements between the System Organization and the Centers. When deficiencies or malfeasance are identified, corrective/disciplinary action should be directed at the concerned entity. Lessons learned should, however, be employed by appropriate entities to strengthen controls and other mechanisms across the system.

**15. Legitimacy of action requires input from a broad range of stakeholders.** System Organization governance and management structures, including at CGIAR research program level, should facilitate adequate and meaningful participation and voice of CGIAR System Partners, especially with national agri-food knowledge and innovation systems.

**16. Stable and predictable funding contributes to maximizing impact and results.**  
**Recognizing that it has not always been possible to ensure predictable funding, the CGIAR System will need to be sufficiently flexible and adaptable to respond to changing circumstances.** Research for development is by nature a long-term process, and the CGIAR System requires sufficient and predictable resources to sustain research and to cover essential Center costs over time, delivered through, to the extent possible, multi-year donor commitments and innovative finance mechanisms. Centers need to have reasonable assurance of a predictable pipeline of cash inflows to optimally plan, form reliable partnerships, and implement strategic long-term research. Discontinuities caused by abrupt funding cuts force costly adjustments, undermine research, devalue the CGIAR brand, and create uncertainties that make it increasingly difficult to attract and retain the world's best scientists. Funding mechanisms and policies that can enhance adaptability or flexibility of the CGIAR System to changing resource streams and volumes should be established to provide greater certainty of support over the short- and medium-term. Centers should have at a minimum accurate and reliable information on annual funding at the beginning of the annual cycle. The System Council must develop and execute a robust Resource Mobilization Plan that fully takes into account the significant resource mobilization capability, infrastructure and incentives distributed across the CGIAR System and seeks to promote synergies, not competition, in fund raising throughout the CGIAR System. To the extent possible, funding mechanisms should be simplified and perverse incentives eliminated.

## **Annex B: Eligibility criteria for Funders' inaugural System Council members and alternates**

1. For purposes of the inaugural System Council, Funders have agreed to the following eligibility criteria for selecting its System Council members and alternates.
2. To be eligible for to be a Funder representative on the System Council, a Funder must have contributed in the three year period 2013-2015 a weighted minimum of US \$10,000,000 to the CGIAR System, to be calculated as follows:
  - a) Contributions to Window 1 of the CGIAR Fund shall be weighted at three times their nominal amount;
  - b) Contributions to Window 2 of the CGIAR Fund shall be weighted at twice their nominal amount; and
  - c) Contributions to Window 3 of the CGIAR Fund and bilateral contributions to Centers shall be counted at their nominal amount.
3. Funders that provide the weighted minimum of US \$10,000,000 to the CGIAR System shall agree on the distribution of the System Council contributor seats amongst themselves and the formation of constituencies, if required.
4. Contributions that provide less than the weighted minimum may seek to join any of the constituencies once they are agreed.