

Meeting Summary 9th System Management Board Meeting

Purpose:

Subsequent to the issue of the Chair's Summary dated 16 April 2018¹, this document presents the formal Meeting Summary of the 9th meeting of the System Management Board ("Board") held at the CGIAR System Management Office in Montpellier, France, on Tuesday 10 and Wednesday 11 April 2018.

By way of overview:

- **Decisions and Actions:** The Board took 9 decisions during its meeting and agreed 10 action points for follow-up, as set out in the text of the meeting summary.
- **Participants:** Annex 1 sets out a list of meeting participants.

This Meeting Summary was approved by the System Management Board by electronic decision, with effect from Wednesday 1 August 2018. (Decision Ref: SMB/M9/EDP5).

Prepared by: System Management Office

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¹ At: https://www.cgiar.org/wp/wp-content/uploads/2018/04/SMB9-13_ChairsSummary-1.pdf

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Agenda Item 1: Opening

1. The Chair, Marco Ferroni, opened the meeting, and welcomed members, observers and guests to the 9th meeting of the System Management Board ('Board'). A quorum was present.
2. It was noted that this meeting was the first for one of the two System Council voting member Active Observers on the Board, Mellissa Wood representing Australia, with Eric Witte of the USA also continuing in that Active Observer role for a second term
3. The Chair tabled the Provisional Agenda as issued on 28 March 2018, noting that the flow of the meeting was proposed to align to the various sections of the business model/cycle paper that forms the main substantive document for this meeting.
4. **Decision SMB/M9/DP1:** The Board adopted the meeting Agenda ([Document SMB9-01](#), 28 March 2018).
5. The Chair noted that in line with the Board's agreed procedures, declarations of interest had been sought on the Agenda in advance of the meeting. It was confirmed that the Board's standing register of interests declared is available to Board participants via the Diligent Boards tool and nothing further was noted.

Agenda Item 2: Business Plan: Strategy (Part 1)

Improving Strategizing and Planning

6. By way of setting the scene for the meeting's discussions, the Chair introduced meeting document SMB9-02, 'Positioning CGIAR for the 21st Century: Potential Scope and Initial Ideas for a Business Model/Plan', noting that this document aims to set out possible ways of thinking on how CGIAR can improve the way it works and hold itself to higher standards of accountability in all that it does moving forwards.
7. The Executive Director of the CGIAR System Organization echoed that the focus of work and the consultation process to develop the ideas put forward in the document had been to identify the basics of how the CGIAR System organizes itself, focusing on alignment across all areas of activity over iterative cycles. Inputs would be sought from the Board over the course of this meeting on each of the 5 thematic areas set out in the proposed concept in order to shape its ongoing development, the next step being to share these initial ideas with the System Council in May 2018, and for final delivery to the Council at its November 2018 meeting.
8. Inputs from the Board were invited on the 'Strategy' elements set out in section 1.1-1.5 of the document, with the following reflections provided:

- (i) The situating of CGIAR's work in the global framework via a focus on a better articulation of CGIAR's contribution to the SDGs at the 2030 milestone, and how that should be assessed, was appreciated;
 - (ii) CGIAR's position along the research for development continuum, including in relation to partners and other key actors in the field, should be well-articulated and maximize CGIAR's potential in terms of on-the-ground partnering which makes it attractive to Funders;
 - (iii) It is important to define clearly what is meant by performance, results and impact;
 - (iv) The focus of the articulation of a '2030 plan' should be demand-driven with the focus on end-users, and not supply-led;
 - (v) On the possible use of a high-level advisory panel to frame a 2030 strategy, caution was noted that such guidance may imply a reform, rather than a focus on defining how CGIAR operationalizes its work.
 - (vi) Optimally, Centers' own strategies would align with the System one, noting that continuity of delivery and operations while that alignment process was undertaken would be important.
9. In summarizing the session, the Chair noted that the group's reflections indicated that the concept was tackling the appropriate questions around situating CGIAR's work rather than starting over. He noted the support expressed by the Board for the paper's approach and key ideas, adding that the inputs provided would serve to enrich development and refinement of the overall concept to put before the System Council at their 6th meeting in May 2018.

Agenda Item 3: Business Plan: Structures (Part 1) Institutional innovation

10. In order to contextualize the board's discussions on institutional innovation, in particular the financial context in which CGIAR's Centers operate, the Board heard two presentations; firstly on 'Reasons for Financial Losses during the period 2015-2017', which tested the following 6 hypotheses:
- i. Have Centers become more expensive?
 - ii. Are cost (staff) reductions lagging behind revenue reductions?
 - iii. Has cost recovery slipped?
 - iv. Have funding surprises (including funding shifts) contributed to deficits?
 - v. Have Center Net Assets suffered as much as annual financial results?
 - vi. Has a change in financial reporting standards changed the trend line?5 on Center costs, revenue, funding trends, assets and financial reporting.
11. It was summarized that the main driver of losses appears to be a steep decline in W1/2 funding since 2014, and that decreased costs and improved cost recovery would be essential elements of an approach to longer-term financial stability as part of a broader vision set out in the Business Plan.

12. As a second think-piece to stimulate discussions, the Board heard a presentation by Doug van den Aardweg, Finance & Audit Committee Chair of Bioversity International. The presentation examined Center revenue levels in relation to their reserves levels, focusing particularly on the challenges around replenishing reserve levels in the current financial climate and the unintended consequences of the situation of low reserve levels. Reference was made to the four Centers whose reserve levels currently sit below the risk appetite and/or tolerance levels.
13. In the discussions that followed, a number of matters were noted as important for further development in the business plan concept, noting that these would be explored in more depth in the subsequent agenda item:
 - (i) Strategies to rebuild confidence in Window 1 and 2 linked to strong performance reporting;
 - (ii) A focus on establishing multi-year funding commitments and incentives for doing so;
 - (iii) 3-year budgeting cycles for System entities and an appropriate reconciliation process to ensure that the cost-sharing percentage mechanism remains the most appropriate; and
 - (iv) A set of standards agreed with the System Council on cost recovery.
14. **** Action: SMB/M9/AP4:** On Center and System reserves: An analysis on Center reserve levels was requested to be undertaken by the Board's Audit and Risk Committee and provided by 1 September 2018 for discussion at SMB10, which analysis is built upon conversations with Centers whose reserves levels are below the System's agreed level of risk appetite (90 days) and/or risk tolerance (75 days).²

Agenda Item 4: Business Plan: Processes Clarification and streamlining

15. Building on the inputs of the previous session, the Board considered the elements on the suggested 3-point plan to improve System funding modalities in particular how these concepts might be received by CGIAR's existing and potential Funders. It was noted that:
 - (i) Multi-year funding commitments do not necessarily constitute legally binding replenishments, but can provide additional stability, recognizing that the latter can present challenges regarding government strategies.
 - (ii) More creative approaches to the use of reserves could be considered such as pooling or enabling all or part of those funds (such as shutdown costs) to generate income such as through selected investment opportunities.
16. In summarizing, the Chair reflected that the inputs provided supported the proposed business plan's focus on a sustainable funding growth trajectory, recognizing the inputs of one Board member that while the more rapid funding increases seen at the beginning

² CGIAR Financial Guidelines Series, No 1.

of the decade had been appreciated, they had not necessarily provided for a stable funding environment.

Agenda Item 5: Business Plan: Strategy (Part 2) Improving Strategizing and Planning

17. The Chair sought inputs on one of the key areas of organization strategy outlined in the proposed business cycle concept, namely more effective engagement with the private sector, noting the paper's premise that notwithstanding positive steps towards much stronger and more effective engagement, CGIAR does not currently have a common approach to how it works with the private sector, with individual approaches potentially missing opportunities for broader System-wide benefits.
18. Several reflections were provided for possible strengthening and coordinating measures, including the following:
 - (i) The need to include potential ways to work with larger private sector entities who are often keen to demonstrate social responsibility ('sustainable/responsible sourcing');
 - (ii) Examples of working with small private sector start-ups such as seed companies in Africa where the market is not met by larger seed corporations and a mixed model which involved working with larger growers but also including a mechanism that ensures that the intellectual property developed benefits target individuals;
 - (iii) How to ensure returns on the public input that we provide including via non-monetary benefits, while retaining impact as the primary driver;
 - (iv) The need to consider reputational risks when working with the private sector, noting the degree of mistrust from some stakeholders; and
 - (v) That different considerations are involved when working with different types of partnerships such as science/research partnerships and innovation delivery partnerships.
19. In concluding it was noted that the issue of private sector engagement represents a good example of the importance of System-wide dialogue to ensure that learning can be drawn from the experiences of Centers already working in this area. It was also highlighted that inputs from this session would feed into the planned Private Sector Partnerships for Impact Acceleration workshop scheduled to take place on 10-13 July 2018.

Agenda Item 6 – A targeted look at CGIAR's Genetic Resources

20. The Chair welcomed Michael Halewood, Co-coordinator, Policy Module, CGIAR Genebank Platform, who joined the meeting virtually to guide the Board through four evolving genetic resources policy-related issues with potential reputational consequences for CGIAR.

21. As background it was advised that the governance arrangements of the CGIAR Genebank Platform require that both the Directors General of CGIAR's eleven Article 15 Centers and the System Management Board (typically in that order), consider and approve policy positions and strategies for engagement in inter-governmental policy fora regarding genetic resources, guidelines, and policy instruments for CGIAR Centers and programs.
22. During the discussions which followed on the four policy issues presented, a number of Board members raised that a balance should be struck between being as transparent as possible without creating mechanisms that would require a disproportionate amount of resources to manage. There was support from the Board for ensuring that genetic resources policy items are a standing agenda item at meetings on an annual basis.
23. The four positions as endorsed by the Board during their discussions that followed are set out in the following decision point.
24. **Decision SMB/M9/DP9:** System Management Board endorsed positions on Genetic Resources Policy
 - I. **Noting** the risk to CGIAR's reputation/ability to operate if the Governing Body in 2019 finds that CGIAR Intellectual Assets Reports do not provide adequate information, and adopts a resolution to increase the power of Secretariat and GB to require information on an ad hoc basis from CGIAR, the **Board recommended** that the System Organization and CGIAR Centers work together to make additional information available to the Governing Body through expanded annual Intellectual Assets reports and/or other means.
 - II. **The Board re-affirmed** the importance of the subscription system as a component of a revised multilateral system and **encouraged** the Article 15 CGIAR Centers to confirm if they would, in principle, be willing to become subscribers (subject to satisfactory resolution of outstanding details) and if so, make a related statement to next Working Group meeting (October 2018).
 - III. **Noting:**
 - a) growing controversy in international fora concerning benefit sharing and genomic sequence information; and
 - b) the risk to CGIAR's reputation if it is perceived that Centers' genomic sequencing activities are not protecting/promoting the international public goods nature of the Centers' Article 15 collections, and/or not demonstrably linked to the generation of benefits for farmers in developing countries,**The Board recommended** to Centers that they:
 - a) Build in and demonstrate/communicate benefit-sharing for developing countries and farmers in genomic sequencing projects, and collectively across the CGIAR System; and

- b) Revisit the guiding principles developed ad hoc in 2017; consider raising their profile (e.g., for a CGIAR statement on genomic sequence information, conservation, sustainable use and benefit sharing).
- IV. **Noting** the importance of compliance with both the ITPGRFA and the Nagoya Protocol to protect the reputation of CGIAR the **Board recommended** that CGIAR Centers:
- a) Include a statement of compliance in annual Intellectual Assets reports to the System Organization, and/or additional information on how they are complying; or
 - b) Consider other means of providing public assurance of compliance.

Agenda Item 7 – 2017 CGIAR Financial Statements

25. The Chair invited Gordon MacNeil, Board Member and member of the Board’s Audit and Risk Committee (‘ARC’), to introduce the proposed CGIAR System Organization Audited Financial Statements for the year ended 31 December 2017 on behalf of the ARC Chair Ms. Bushra Malik.
26. It was confirmed that the ARC had met with the System Organization’s external auditors, PwC Rome, on 4 April 2018, including during an in-camera discussion during which no System Management Office staff were present in order to discuss the audit engagement.
27. The Board heard that:
- (i) The statements as presented are compliant with the International Financial Reporting Standards.
 - (ii) The surplus reported for 2017 was primarily due to important, but as yet unfilled positions and consultancies continuing within the System Management Office during 2017 due to ongoing reflection on the appropriate structure and competencies for the office. It was noted that the budget approved by Board and System Council in November 2017 for the 2018 calendar year included a significant budget reduction against 2016 actuals, but at the same time anticipates a higher budget utilization during 2018.
 - (iii) The external Auditors had conveyed to the Board’s ARC that:
 - a. They had seen substantial improvement in the presentation of the Statements compared to the past years.
 - b. No significant accounting inconsistencies were discovered and where minor changes were identified by PwC Rome as requiring amendment, these were adjusted as requested; and
 - c. No risk of major fraud was identified, nor any actual fraud discovered.

28. It was advised that based on their conversation with the external auditors and noting the headlines as presented, the ARC recommended that the Board approve the CGIAR System Organization Audited Financial Statements for the year ended 31 December 2017.
29. **Decision SMB/M9/DP2**: The Board approved the CGIAR System Organization Audited Financial Statements for the year ended 31 December 2017.

Agenda Item 8: Business Plan: People Attracting, retaining and nurturing the best

30. The Board heard an overview of three key areas that could potentially be prioritized over an initial business cycle, noting the medium- to long-term nature of many human resources initiatives. In addition to commenting on that which was included in the meeting papers, the Board was invited to propose whether there are additional areas which could benefit from a System-focus over that time-frame.
31. The following reflections were provided:
 - (i) The focus on gender equality was appreciated as an important priority area requiring major focus in 2018 and the immediately following years.
 - (ii) When considering the right talent and skills mix, a broad mix of competencies should be included, and it should be made clear that a reference to ‘innovators’ in any future document does not only refer to staff in the scientific domain. If only in the scientific domain, the ISPC clarified that the term has a specific meaning and would be too limiting.
 - (iii) To ensure that high quality talent is attracted in all areas in which CGIAR works, overall contract arrangements and remuneration policies should perhaps be reviewed to have confidence that these remain relevant and provide the right incentives to attract and retain a diverse pool of highly-qualified staff.
 - (iv) It was noted that sharing and harmonization of policies on safeguarding and ethical matters, including the work at some Centers to implement fully external third-party providers for confidential whistleblowing processes, would be a positive step to ensuring that universally high standards can be met and evidenced across the System.

Actions agreed during Agenda Item 8

32. **** Action: SMB/M9/AP8**: By 18 April 2018, the Board Chair will consult across Centers Board of Trustee Chairs, and deliver to DFID, a Centers/CGIAR System Organization response to a 4 April 2018 letter from the UK Secretary of State for International Development seeking CGIAR’s unequivocal commitment to safeguarding all of those with whom CGIAR works.

33. ** **Action: SMB/M9/AP9:** By 1 August 2018, and under the oversight of the Board's Audit and Risk Committee, the Board requests the CGIAR System Internal Audit Function to undertake an advisory engagement to obtain a consolidated view on the adequacy of existing anti-harassment policies and processes to respond to allegations, and report on any System-wide strengthening needs required to ensure that CGIAR's policy implementation environment meets best practice standards.
34. ** **Action: SMB/M9/AP10:** To take forward the Board's agreed actions from the 2018 CGIAR Gender Evaluations, the Board's Gender Champion is invited to bring to the Board by not later than SMB10, a proposed approach to delivering against agreed actions, including those that would be most appropriately included in an initial CGIAR 2019-2021 Business Plan.

Agenda Item 9: In-camera session

35. The Board met in closed session without Active Observers or members of System Organization staff present. No decisions were taken in the session. It is noted for the record that the Board provided high-level guidance on the concept of a 'hub' in Rome that would consolidate System entities, includes one or more Center(s) and perhaps host liaisons from several Centers. The Board asked that an exploration of the concept be undertaken, led by interested Centers, and outputs of those efforts presented to the Board at its September 2018 meeting.

Agenda Item 10: Business Plan: Rewards Incentivizing high performance and securing funding

36. In framing the agenda item, the Executive Director observed that thinking had evolved over recent years from a 'results-based management philosophy' towards a focus on providing assurance to Council that the best systems for performance management are in place across CGIAR's subsidiarized and research-focused operations.
37. It was recognized that the System Council and the Board are seeking assurance that systems of performance management provide clear, good quality evidence that brings together and builds on what already exists. The focus in the business cycle concept has therefore shifted to development of minimum standards and expectations on performance, and development of a System-wide dashboard tool to provide timely access to these, all of which could then be optimized and refined over successive business cycle periods.
38. In the discussion that followed, the Board provided the following inputs, which were acknowledged for inclusion in further development of the concept:
- (i) System Council observers appreciated the focus on performance and performance standards as distinct from results reporting, and emphasized the importance of now translating into implementation as soon as possible the

considerable thinking that has been undertaken over the past year to strengthen CGIAR's program performance management system.

- (ii) The importance of work being undertaken to ensure interoperability of what is already in place across the System and ensuring a single point of entry for inputs.
- (iii) Terminology, particularly around impact and results, and application across CRPs, Centers and the System as a whole should be clearly defined and applied.

Agenda Item 11: Business Plan: Structures (Part 2)

Institutional innovation

39. In framing the discussions on potential institutional development and innovation concepts proposed, the Executive Director acknowledged the range of work already underway in the System, from informal discussions between Centers to the work of the System Council's Strategic Impact, Monitoring and Advisory Committee ('SIMEC') on the future of the Council's advisory services. He sought the Board's view on whether any important issues or activities had been omitted or should be removed from the list of opportunities in the Business Cycle concept paper.
40. On the potential content areas proposed in the business cycle concept, the following reflections were provided:
- (i) **On major Center-led developments:** The Board acknowledged the important role played by Center Boards of Trustees, and the Convener of the Board of Trustees Chairs, in any discussions on institutional alignment or alliances. Where such initiatives involve non-CGIAR entities, the importance of a clear consultation process with other System stakeholders was noted. Engagement with Center Boards of Trustees by the SMB, and the role of the Centers' Board Orientation program in engaging new Trustees were identified as key modes of improved alignment.
 - (ii) **On the System Council's advisory services reform:** The Board heard from Mellissa Wood, System Council Active Observe and member of SIMEC on the process and direction of thinking of the Committee's discussions, noting that a decision is anticipated from the System Council during May 2018. The Board acknowledged and appreciated the focus on relevance and service of the System's needs to avoid parallel review processes in future program development.
 - (iii) **On rapid-response preparedness:** The Board recognized the work already underway in response to the Fall Armyworm threat, and the unique capacity of CGIAR to respond to such events. The need to consider how a more structured and systematic approach could be developed to draw on past experience and optimize response times and efforts was noted. Noting the range of potential events from fast developing (such as disease) to more slowly-developing (such as droughts), the question was raised as to whether flexibility in funding to enhance response capability should be considered.
 - (iv) **On Genebanks:** The opportunity for CGIAR to articulate its vision regarding genetic resources, given its unique global position in biodiversity conservation and use, was noted.

- (v) **On Country Collaboration:** The Board noted that Funders had previously expressed some frustration at the pace of activity in this area. It was highlighted the main issue was how activities already undertaken and ways of operating are communicated, and the need for messaging that such collaboration is around impact and advocacy and not only cost-efficiency.
- (vi) It was also noted that addressing current and perceived gaps in CGIAR capabilities should be managed as part of the existing portfolio evolution processes.

Actions agreed during Agenda Item 11

- 41. ** **Action: SMB/M9/AP5: On deeper cooperation and alignment among Centers:** The Board's Rules of Governance Working Group will follow up with the Convener of the Center Boards of Trustees Chairs and reflect on ways to engage this group more systematically, including on the viability of moving towards shared Boards of Trustees; common Chairs of Boards of Trustees and/or other opportunities to form closer alliances. The Board's Rules of Governance Working Group was requested to present recommendations by 1 September 2018 for discussion during SMB10 for possible inclusion in the initial business plan.
- 42. ** **Action: SMB/M9/AP6: On rapid-response preparedness:** Acknowledging the excellent work underway in the System in response to events such as Fall Armyworm, the Board suggested that Centers collaborate with the Director General of CIMMYT as the Board's envoy on Fall Armyworm. The Board also asked that the DG of CIMMYT lead the development of an inventory of current work in response to crises, and that a draft communications document be developed by the Centers that outlines CGIAR's scientific and on-the-ground capacity regarding crises response.

Note: Subsequent to the meeting, the Directors General of IITA and CIMMYT have taken work on the above action point forward as the CGIAR's 'co-envoys' on Fall Armyworm.

- 43. ** **Action: SMB/M9/AP7: On Shared Services:** The working group identified at the 2nd General Assembly was noted as an important mechanism for potential ideas to be included in the business plan. The Board proposed that the group bring a concrete proposal by 1 September 2018 for possible inclusion in the initial business plan, for discussion at SMB10.

Agenda Item 12: 2018 Portfolio delivery

As a matter of record: Geoff Hawtin declared that due to his role as the Chair of the CIAT Board of Trustees, he would not participate in discussions on the potential addition of a common bean flagship to the GLDC CRP. The Board requested that Geoff Hawtin remain in the room to provide responses to factually based questions, should they arise.

- 44. The Senior Manager, Program Performance introduced the process followed since the Board's 8th meeting in December 2017, during which it had been requested that "(i)

CIAT develop a proposal for a common bean flagship research program; and that (ii) the System Management Office lead consultation and engagement among Centers, relevant programs and the ISPC, to develop a proposal for the optimum location of that work” (Action point SMB/M8/AP3).

45. The Board also received a summary from the ISPC Chair on the review process undertaken to date; it was advised that six reviewers had been involved and all were supportive of the concept of research on beans being recognized as part of the portfolio, and that additional comments could be shared after discussions at the ISPC’s meeting scheduled for 19-20 April 2018.
46. Constrained time did not permit the Board to also discuss the potential to issue a call for a new flagship 2 proposal for the same CRP; it was agreed that an ad hoc virtual meeting would be scheduled at a later time once ISPC advice is available.

Agenda Item 13: Business Plan: Strategy (Part 3) Improving Strategizing and Planning

A biofortification strategy for the System

47. The Board heard a presentation on early thinking on a possible biofortification strategy for the CGIAR System from Dr. Howarth ‘Howdy’ Bouis. The presentation highlighted the work undertaken to date, and outputs of early consultations with Centers on how a more inclusive biofortification approach could be developed.
48. The Board expressed appreciation for work undertaken to date, offering the following reflections to help take this work forward:
 - (i) A future strategy should build on the existing strength of CGIAR’s HarvestPlus brand and recognize that this is an area of comparative advantage for CGIAR. This is in recognition that a strong Orange Flesh Sweet Potato brand also exists that is not a recognized HarvestPlus brand.
 - (ii) The contribution of CGIAR’s nutrition work for populations without access to diverse diets was acknowledged, with biofortified staples being a key tool in tackling this (provided that other desirable traits are not affected) was emphasized.
 - (iii) A longer-term approach should explore how to build in complementary approaches on incorporation of bio-fortified crops into a more holistic diet including local biodiversity.
 - (iv) Center Deputy Directors General – Research (‘DDG-Rs’) are a critical stakeholder group in taking forward development of a CGIAR strategy on biofortification.
49. In discussions, the following were proposed as four key ‘pillars’ for such a strategy:
 - (i) Mainstreaming of breeding (noting previous funding arrangements and possibilities for targeting)

- (ii) Delivery at scale (seed systems, value chain development; optimal partnership modalities)
 - (iii) Policy (biofortification within nutrition policy; appropriate coordination mechanisms)
 - (iv) Nutrition science
50. The Board agreed that a next step should be to bring together a team of science leaders from relevant Centers to elaborate on what is currently being done across the four pillars, and to identify existing and potential synergies. Further, that DDG-Rs of relevant Centers should be invited to join together with Howdy Bouis in a working group to develop the roles and responsibilities for the four pillars.
51. It was noted that as this work moves forward, a key question to address is whether the work is best positioned as a flagship in the Agriculture for Nutrition and Health ('A4NH') CRP or another mechanism, such as a System-wide platform, and that management and governance will need to be defined and clarified.
52. It was agreed that development of a longer-terms strategy under an umbrella of addressing 'hidden hunger' should not hold up efforts on development of the key task at hand - development of a CGIAR biofortification strategy - but that the 2019-2021 Business Plan should situate that strategy within a broader hidden hunger demand-driven context.

Multi-funder initiative to enhance crop breeding programs

53. Eric Witte, a System Council Active Observer to the SMB, provided an update on development of the multi-Funder initiative, noting that the group's focus had been to ensure that the initiative is not disruptive; that it works with all existing programs and aligns to the business plan concept as it develops.
54. The aim is to ensure that the science behind CGIAR's breeding programs is attractive to existing and potential new Funders by considering whether CGIAR's mix of projects is optimal, and that they are best-in-class; to this end the technical expert group has worked alongside the Excellence in Breeding program to focus on product development aspects.

Additional discussion points

55. The Board discussed additional potential focus areas as set out in the business cycle concept, and recognized that some, such as gender in research and climate change, are cross-cutting in all of CGIAR's activities. It was also raised that a more objective review of potential focus areas based on objective foresight advice as well as responding to emerging crisis areas, could be beneficial. Prioritization of the suggested areas was encouraged when developing the initial business plan.

Actions agreed during Agenda Item 13

56. **** Action: SMB/M9/AP1:** Relevant CGIAR Centers to work with Howdy Bouis to prepare by 1 September 2018 for submission to the Board's 10th meeting in September 2018 ('SMB10'), a CGIAR-wide biofortification strategy covering key substantive and institutional issues, and with proposed actions for possible inclusion in the business plan.

Note: Subsequent to the meeting, Oscar Ortiz of CIP and Jackie Hughes of IRRRI were identified as working group members, alongside Howdy Bouis, on the strategy development.

57. **** Action: SMB/M9/AP2:** Recognizing that climate change underpins a broad scope of CGIAR's work rather than being a specific research area, the Board asked that a short CGIAR-wide institutional strategy and investment case on climate change be prepared, coordinated by CCAFS, for possible inclusion in the initial Business Plan.
58. **** Action: SMB/M9/AP3:** The Board proposed that Centers collaborate with the Director General of ILRI as a focal point for the preparation of a short plan on CGIAR's contribution to tackling Anti-Microbial Resistance for possible inclusion in the initial Business Plan.

Agenda Item 14: Preparing for SC6

59. The Executive Director set out the next steps in advance of delivery of, firstly, the business plan concept to the System Council for its 16-17 May 2018 meeting and after that to develop and refine a product for delivery to the November 2018 meeting. Key consultation opportunities were identified including calls with Center Board of Trustees Chairs, the Centers' Science Leaders meeting in June 2018 and the next in-person SMB meeting in September 2018. Acknowledging the range and depth of topics for discussion, and the constrained time for some matters at this meeting, it was proposed and agreed that the Board's September 2018 meeting would schedule time over 3 consecutive days, including a possible retreat of the SMB itself to introduce new members.

Agenda Item 15: Consent Agenda

60. As presented by the Board Secretary, the following matters were approved by the Board without substantive deliberations (according to the provisions of Article 7.1 of the Board's Rules of Procedure):
61. **Decision SMB/M9/DP3:** The Board **approved** the rolling workplan of the CGIAR System Internal Audit Function for 2018-2020 (as set out in meeting document SMB9-07).
62. **Decision SMB/M9/DP4:** The Board **approved** the Internal Audit Plan for the System Organization 2018-2020 (as set out in meeting document SMB9-09).

63. **Decision SMB/M9/DP5**: The Board:
- (i) **Approved** concluding the term of the System Management Board's ad hoc Working Group on CGIAR Country Collaboration with immediate effect on the basis that it has served its purpose.
 - (ii) **Endorsed** the proposal that the implementation of CGIAR Country Collaboration moving forward be coordinated by the System Management Office, building on key principles as articulated in the summarized recommendations of the Working Group (in Annex I of meeting document SMB9-10).
64. **Decision SMB/M9/DP6**: The Board approved the System Management Board Delegations of Authority Policy (as set out in meeting document SMB9-11).
65. **Decision SMB/M9/DP7**: The Board approved the CGIAR System Management Board Travel Policy (as set out in meeting document SMB9-12).

Agenda Item 16: Any Other Business

Membership of the Board's Audit and Risk Committee

66. The Board heard a short presentation on principles and a proposal for appointments to the System Management Board's Audit and Risk Committee ('ARC') based on nominations received from Center Board of Trustees Chairs by 30 March 2018.
67. It was noted that more nominations had been received than positions available, and therefore the proposal made had sought to ensure:
- (i) That the ARC membership includes several members with formal financial qualifications;
 - (ii) That 2 of 4 current members are retained for continuity;
 - (iii) That all regional/center-own arrangements are represented (and that there is not duplication from the same regional arrangement);
 - (iv) That 'new' voices with different sectoral experience are brought on to the Committee;
 - (v) That both proposed new members are on their first Center BoT term, offering flexibility to have continuity over time; and
 - (vi) That the terms proposed set up future staggered rotations.
68. The Board supported the proposal made, and the Chair expressed appreciation for the thoughtful process undertaken and the Gordon MacNeil for his continued willingness to serve on the Committee and in the role of ARC Chair with effect from 1 May 2018 pursuant to the materials presented for decision.

69. **Decision SMB/M9/DP8**: The System Management Board:
1. **Expressed its appreciation** to the following two persons for their service on the System Management Board's Audit and Risk Committee (ARC):
 - Bushra Malik, term ending 30 April 2018
 - Eugene Terry, term ending 30 April 2018
 2. **Appointed** the following persons as members of the ARC to serve in their personal capacity, for the following terms or until their successor is appointed:
 - Bob Semple, for a second term until 30 April 2020
 - Hong Kee Yong, for an initial term until 30 April 2020
 - Nancy Andrews, for an initial term until 30 April 2021
 3. Taking note of the provisions of article 16 of the ARC Terms of Reference and pending the appointment of an independent member of the ARC, **appointed** Gordon MacNeil, SMB member and continuing ARC member, to serve as ARC Chair until 31 August 2018 or until his successor is appointed.
70. The Chair thanked participants and closed the meeting.

Annex 1: List of Meeting Participants

Members and Observers	
Name	Role
Marco Ferroni	SMB Independent Member, and Chair
Kanayo F. Nwanze	SMB Independent Voting Member
Ann Tutwiler	Center-affiliated Voting Member
Barbara Wells	Center-affiliated Voting Member
Geoff Hawtin	Center-affiliated Voting Member
Gordon MacNeil	Center-affiliated Voting Member
Jimmy Smith	Center-affiliated Voting Member
Margret Thalwitz	Center-affiliated Voting Member
Martin Kropff	Center-affiliated Voting Member
Elwyn Grainger-Jones	Executive Director, Ex-officio Non-Voting Member
Mellissa Wood	Active Observer (System Council representative, Australia)
Eric Witte	Active Observer (System Council representative, USA)
Maggie Gill	Active Observer (ISPC Chair)
Rachel Sauvinet-Bedouin	Active Observer (Head, IEA)
Vincent Gitz	Active Observer (CRP Leaders' representative)

Additional Invited Guests	
Name	Role
Leslie Lipper	ISPC – Executive Director
Matthew Morrell	Convener of the Center Directors General (Virtual)
Doug van den Aardweg	Biodiversity Audit Committee Chair; SMB Chair invited guest (Agenda Item 3)
Michael Halewood	Co-coordinator, Policy Module – CGIAR Genebank Platform (Agenda Item 6)
Julia Compton	Consultant, Program Performance – System Organization (Agenda Item 10)
Howdy Bouis	Interim CEO, HarvestPlus (Agenda Item 13)

Technical contributors and meeting support	
Name	Role
Karmen Bennett	Head, Board and Council Relations and Board Secretary (System Organization)
Albin Hubscher	Head, Finance (System Organization)
André Zandstra	Head, Funder and External Engagement (System Organization)
Elise Perset	Head, Legal and Office Services (System Organization)
Peter Gardiner	Senior Manager, Program Performance (System Organization)
Christine Larson-Luhila	Senior Adviser, Board and Council Relations (System Organization)
Nadia Manning-Thomas	Board and Council Relations Manager (System Organization)
Olwen Cussen	Board and Council Relations Associate (System Organization)
Victoria Pezzi	Meetings and Events Associate (System Organization)