



For strategic input/endorsement

Issued: 12 September 2018

DRAFT
CGIAR System 3-Year Business Plan
(2019-2021): Transforming the Global Food System

Purpose

This document presents a draft inaugural CGIAR System 3-year business plan for 2019-2021 - building on the presentation of potential key ideas at both SMB9 (April 2018) and SC6 (May 2018). When finished, its purpose will be to present to our multiple audiences, a self-contained story of the transformative way in which CGIAR as a system will collectively work to deliver on shared 2021 outcomes, including the development of a 'CGIAR 2030 Plan' for implementation from early 2022 that keeps CGIAR's focus on big programmatic efforts to drive impacts.

Action Requested:

1. Based on the brief introduction that follows, the Board is requested to provide **strategic guidance and endorsement** of the draft Business Plan; providing **input on overall messaging and any perceived gaps**; and
2. For 'Companion Documents' that accompany specific Actions within the Business Plan text, **respond to the request stated therein** **.

*** Exceptionally, the Board is requested to come together virtually in the 4th week of October 2018, to provide its final endorsement of the completed business plan before submission of the document for discussion with System Council members in November 2018 ***

Distribution notice:

This document is a working document of the System Management Board and should remain within the CGIAR System during ongoing deliberations.

Prepared by: CGIAR System Management Office based on a highly consultative process across all System stakeholders.

Introduction

1. Moving from a focus on ‘5 potential themes and 10 big ideas’ earlier this year, extensive System-wide consultations have resulted in the Centers and the System Organization identifying a **prioritized list of ‘10 Actions’** to achieve the following outcomes by end-2021:
 - a. **Successful implementation of CGIAR’s research portfolio**, supported by improved performance management systems, and implementation of communication and implementation strategies on key themes
 - b. **Greater cooperation between Centers through a number of major new alliances**, new shared services and greater confidence in assurance systems through more aligned advisory services
 - c. **An exciting new portfolio developed as part of a 2030 Plan to commence in 2022** that keeps CGIAR’s focus on big programmatic efforts to drive impacts
 - d. **A step change on gender both in the workforce and in research programs** – as part of a clear and ambitious new cross-Center CGIAR People strategy
 - e. **Funding that has stabilized and increased, with its quality improved in terms of predictability** and the share of programmatic pooled funding in ‘windows 1 and 2’ significantly increased
2. **As the Business Plan document continues to evolve**, a key editorial focus will be to ensure that the main text and supportive/facilitative accompanying strategies, initiatives and/or action plans are **aligned in wording and formatting to present a final product that brings the same overall logic and presentational structure for maximum impact on the reader.**
3. **The meeting agenda intentionally follows the flow of this document**, to provide the opportunity to take each strategic conversation in turn. How time allocation works during SMB10 will naturally depend on the depth of the Board’s discussions – with appreciation that certain matters (e.g. gender equality in research & gender equality and diversity in the workplace) will require substantive content before the Board provides strategic guidance an input on specific Business Plan drafting. A poll requesting people’s availability for an October 2018 virtual meeting date was shared with notification of the availability of meeting papers. If you have not already completed it – please access that poll here: <https://doodle.com/poll/kmhfb3awmpypk7m9>
4. **Whilst the purpose of the Board’s time in Nairobi is not to take line by line edits**, if there was specific factual matters or perceived important corrections to bring to our attention in advance of SMB10, please share that information via smb-secretariat@cgiar.org and we will keep a master version.

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Glossary of terms and acronyms

[To add: glossary of terms/acronyms]

TABLE 1: COMPANION DOCUMENT INDEX

***Companion documents supplement areas of this Business Plan in areas where there is an initiative or strategy planned, or additional background is important to situate the Business Plan approach.*

Companion Doc	Section link	Status/notes
Biofortification strategy	1c	
Climate strategy	1c	By Friday 14 September
Breeding initiative	1c	By Friday 14 September
Antimicrobial resistance	1	
Gender Equality Research Platform	1	* Material only available for SC7 – as inputs from consultant only provided late into October 2018
Rapid response	1	
2019-2021 Financing Plan	2	
Program performance	4	
Gender Equality and Diversity in the Workplace	5	* Material only available for SC7 – as inputs from consultant only provided late into October 2018
Cross-center alliances	6a	By Friday 14 September
Shared services	6b	By Friday 14 September
CGIAR Country Collaboration	7	
Private Sector engagement	7	
Assurance	8	

Foreword from Board Chairs

Drafting: [Nicole/Board Chairs post SMB10]



Section 1: Context, Ambition and Vision

I. Stabilization and Change

1. **The 2016 CGIAR governance reforms opened the door to a reinvigorated sense of collective ownership of the Centers to help chart the destiny of the CGIAR System - to simultaneously improve our salience, credibility and legitimacy.** The System Management Board was created by the Centers and Funders to be a major convening and guiding body for collective action. The elements of this business plan add up to an ambitious but achievable set of innovations to create a more efficient, focused and less fragmented System. Not a “big bang” reform, but a period of sustained change to proactively manage a necessary evolution of the CGIAR System as it faces profound shifts in its operating environment.
2. **The vision of this first CGIAR System-level business plan is ambitious - to achieve the following outcomes by the end of 2021:**
 - a. Successful implementation of CGIAR’s research portfolio, supported by improved performance management systems, and implementation of communication and implementation strategies on key themes
 - b. Greater cooperation between Centers through a number of major new alliances, new shared services and greater confidence in assurance systems through more aligned advisory services
 - c. An exciting new portfolio developed as part of a 2030 Plan that keeps CGIAR’s focus on big programmatic efforts to drive impacts
 - d. A step change on gender both in the workforce and in research programs – as part of a clear and ambitious new cross-Center CGIAR People strategy
 - e. Funding that has stabilized and increased, with its quality improved in terms of predictability and the share of programmatic pooled funding in ‘windows 1 and 2’ significantly increased

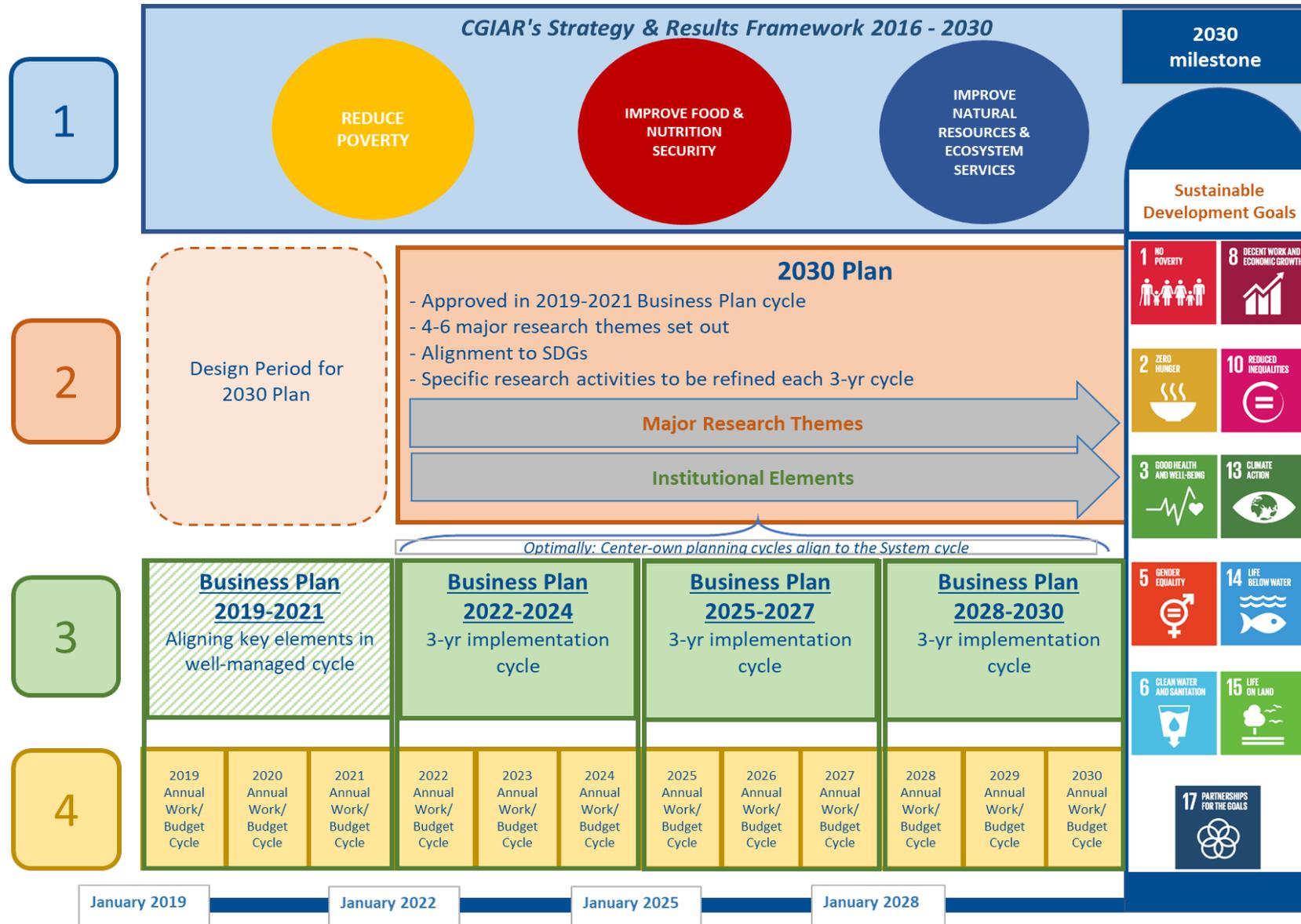


3. **A key consideration is that the actions presented in the business plan are self-reinforcing, requiring action on the part of both Funders and Centers.** For example, CRPs need sufficient funding to drive performance improvements across the System. Similarly, Funders will only do this if they have increased confidence around a plan to improve performance. Addressing the challenge of fragmentation requires mutual action by both Funders and Centers. There are many other such synergies, hence responsibilities for actions are made explicit across the plan.
4. **This business plan is a “System-level” plan – it focuses on decisions and actions that need to be taken at the collective level.** It does not, therefore, aspire to present Center-level strategies or aim to proscribe these. But it does seek to reflect the reality that Center capability is the foundation of CGIAR System – without this there is no system. Many of the challenges and opportunities facing Centers are most efficiently and effectively addressed through Center-level decision-making processes. The actions identified below are using existing decision-making structures and roles established in the 2016 reforms, with the philosophy of subsidiarity in decision-making running across the approaches identified in the plan.
5. **This first system plan is atypical – it is as much an institutional development plan as a classic business plan, with a strong focus on strategy, institutional and process improvement. This is because:**
 - a. It is starting part-way through an existing portfolio
 - b. It identifies many System-level challenges where further strategy development is required, hence sets out several strategy development efforts
6. **The plan aims to both stabilize today’s CGIAR System, while creating the space and planning vehicle for proactively defining tomorrow’s CGIAR.** Both are essential, with a need for constant innovation as change in our operating environment accelerates – we must identify how we can continue to remain relevant in this context. As such, this first business plan for 2019-2021 will have key goals of:
 - a. Modernizing and stabilizing the current CGIAR System, and
 - b. Defining the need, and processes, for potentially radical rethinking and clarifying a shared CGIAR business model.



7. **This System-Level Business Plan is the first step in a new planning landscape to 2030 for the CGIAR System, as set out in Figure 1 following:**
- a. A key date is 2030 – the reconciliation moment in terms of progress against the global SDGs. It is also the moment that CGIAR’s Strategy and Results Framework (“SRF”) ends. As an anchor date to our forward thinking it is therefore an ideal target date for our planning processes.
 - b. The SRF will remain a broad expression of our overall research strategy and goals – running to 2030.
 - c. A CGIAR “2030 Plan” will define a new round of programming for the 2022-2030 period and a clear vision for the system going forward, framed in terms of CGIAR’s planned contribution to meeting the SDGs (see Action 3 below).
 - d. 3-year CGIAR System Business Plans will align all key elements into a well-managed cycle, with a remaining role for annual refinement of 3-year plans for programs or budgets as necessary.
8. **The audience for this plan includes CGIAR’s:**
- Staff and Boards - right across the System, enabling greater common purpose and clarity about our forward direction as a partnership – including senior management and Center Boards of Trustees
 - System Council and Funders – as key stakeholders in guiding the current and future evolution of the CGIAR System
- Many key partners, ranging from national governments and NARS, private sector and civil society partners, and multilateral and international organization partners

FIGURE 1: A CGIAR SYSTEM-LEVEL PLANNING LANDSCAPE TO 2030



II. Our Mission – A Sustainable and Resilient Food System

9. **As set out in [CGIAR's Strategy and Results Framework](#), the world's food system is on the wrong trajectory.** Most of the world's population eats too little, too much, or the wrong type of food – at an unsustainable cost to the environment, health, and political stability. Achieving the Sustainable Development Goals depends on a food system simultaneously capable of delivering greater volumes of more nutritious food with a lower environmental footprint.
10. **Food – the way we grow, catch, transport, process, trade, and consume it – is central to the main challenges facing humanity**

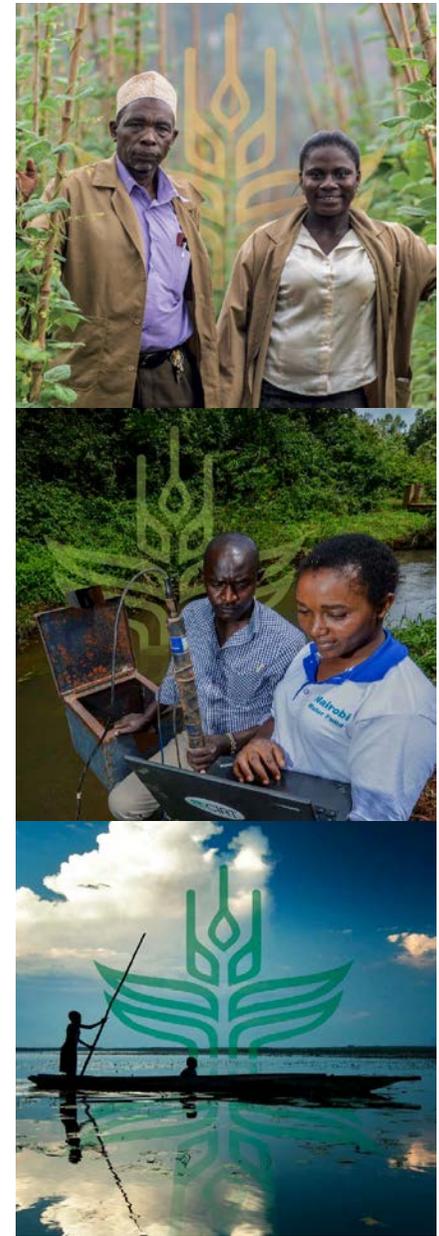


TABLE 2: FOOD AND AGRICULTURE IS AT THE CENTER OF 5 GLOBAL CHALLENGES

1. Living within PLANETARY BOUNDARIES	2. Securing PUBLIC HEALTH	3. Promoting EQUALITY OF OPPORTUNITY	4. Sustaining FOOD AVAILABILITY	5. Creating JOBS and GROWTH
<p>Food systems are driving the unsustainable use of the planet’s increasingly fragile ecosystem. A stable climate, water, land, forests and the biodiversity they contain are a precious, yet finite, natural resource. Food systems account for about one-third of emissions, and will be profoundly affected by its impacts. Agriculture is driving the loss of the world’s forests and productive land, with a [factoid on forests] and third of the world’s soil already classified as degraded. It accounts for about 70% of water withdrawals globally, is a major cause of water stress in countries where more than 2 billion people live, and water pollution from agricultural systems poses a serious threat to the world’s water systems.</p>	<p>The dietary equation is currently unbalanced. More than 800 million people are chronically undernourished, while two billion people suffer from micronutrient deficiencies, and an equal number are overweight or obese. Improved availability is often not sufficient, so that improved products have to be thoughtfully delivered into value chains and markets, at the nexus of dietary education and reinforcing conditions such as public sanitation and water quality. The use of chemical-based fertilizer and pesticides also risks the exposure of the public or agricultural workers to health risks. Growing concern about emerging infectious diseases of which many are zoonoses, highlights the need for informed interventions to control such diseases which threaten production and human health. Anti-microbial resistance is a major emerging issue driven in part by the food system.</p>	<p>Social and economic inequalities are pervasive across food systems. Inequality in decision-making and control of productive assets and resources has major consequences for food security. It is one driver of conflict, which is a key driver of migration. Progress towards gender equality is patchy across the globe and in various sectors, including in agriculture. Vast differences in rights, conditions and recognition reflect serious gender inequalities and a marginalization of women in agriculture. An increasing feminization of agriculture in many developing country regions has several consequences. Inequalities in access to land tenure remain a major challenge.</p>	<p>Yield increases of staple crops have slowed - yet more food will need to be grown in the next 33 years than in the past 10,000 years since the agricultural revolution began. Production and distribution will be challenged by population growth, dietary change, climate change and environmental decline. A diverse range of affordable and nutritious food – in particular, fresh fruit, vegetables and nuts – is limited in many markets, especially for the poor. Most of the growth in food required will need to come from increases in productivity across the food chain, and in harmony with the natural environment. Additionally, maintenance of active food markets and open trade are challenged. Food price crises have the potential to return in the future in the face of such shocks and as climate change increasingly creates correlated shocks in global and local food markets.</p>	<p>About three-quarters of the world’s poor rely on agriculture and natural resources for food and livelihoods. More than 85% of the world’s 1.2 billion youth live in developing countries where meaningful employment and entrepreneurial opportunities are limited – contributing to migration and political insecurity. Stable rural and urban development requires jobs for the growing number and proportion of young people in the coming decades. Mechanization in food systems presents both opportunities for productivity and employment risks for some. The growth of the rural economy will be dependent not only on increasing jobs in agriculture but also wealth accumulation to allow farm family members to find employment in off-farm employment. The blue economy is an often overlooked but critical element of livelihoods.</p>

11. Parallel, overlapping and rapid transformations are needed – and taking place – that can potentially address the above challenges:

TABLE 3: 5 TRANSFORMATIONS FOR A FOOD SYSTEMS REVOLUTION

	<p>A SUSTAINABILITY TRANSFORMATION: To drastically cut the climatic and environmental cost of agriculture and reverse land and water degradation by scaling up climate-smart agriculture, and improving soil health, agroforestry practices, ecosystem-based approaches, natural resource management and sustainable management of surface and groundwater resources, including by enhancing water use efficiency and reducing water pollution from agriculture.</p>
	<p>A NUTRITION TRANSFORMATION: To tackle chronic malnutrition, hidden hunger, obesity, and the availability of safe, healthy and diverse foods by harnessing the political, technological, and market potential of food systems.</p>
	<p>A GENETICS REVOLUTION: To accelerate development of a new generation of crops and animals, to improve yield, as well as increase nutrient content and market value – while increasing resilience to climate challenges, pests and diseases – all in the context of appropriate safeguard policies.</p>
	<p>A SOCIAL AND ECONOMIC TRANSFORMATION: To achieve greater equality of opportunity – for example in access to and control over land and resources – to revitalize rural economies, bring value to consumers, and leverage the power of economic growth to reduce poverty; targeting in particular gender equality and the key role of women in production, post-harvest processing and across the value chain.</p>
	<p>AN INFORMATION REVOLUTION: To create a 21st Century “food systems extension service” that puts real-time information in the hands of farmers, fishers and water managers - that delivers impact-at-scale by harnessing the power of agriculturally relevant data and analytics for farmers, businesses and governments, and to facilitate two-way information sharing for learning and decision-making.</p>

CGIAR's Special Role

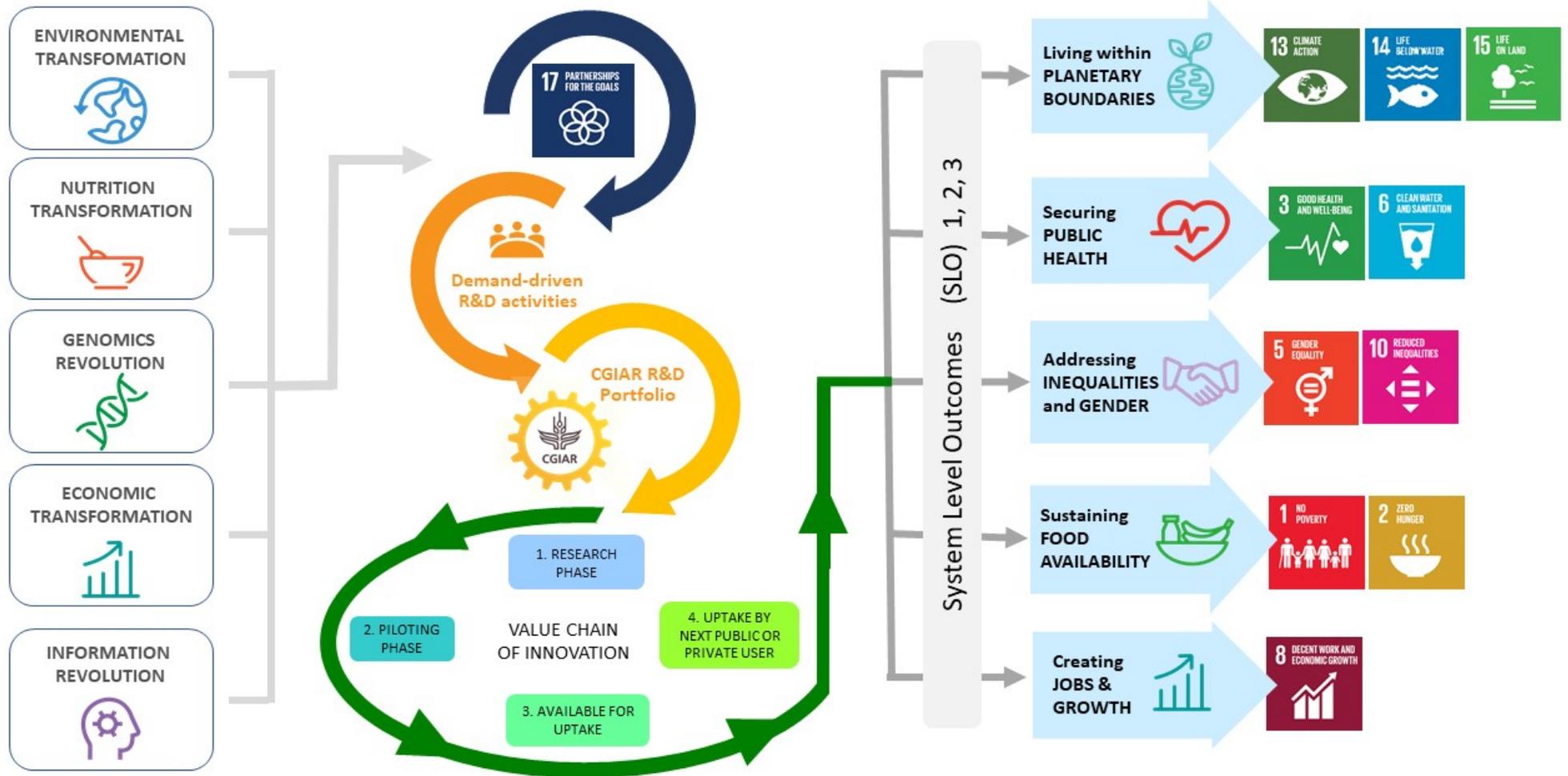
These above transformations, if accelerated and directed to support changes in agriculture and food system, can usher in a “food systems revolution” to tackle the 5 global challenges. The primary input will be knowledge – fresh innovations and their dissemination to those that need it through partnerships that extend beyond the traditional boundaries set between subject areas (environment, agriculture, etc.) and sectors (public and private sector, etc.).

CGIAR's role is to use our unique partnership and diversity of assets and skills to help these 5 global transformations address the 5 global challenges – to meet the SDGs. Creating a sustainable and resilient food system will require an infusion of thinking and knowledge, and an ability to tackle complex and interconnected challenges. CGIAR is uniquely placed to play a leading role in addressing these challenges because of the diversity and depth of its assets, activities and focus, range of partnerships and history of delivering impact at scale.

CGIAR's 2019-2021 portfolio of research is designed to directly and indirectly addresses the 5 global challenges identified above, and the 5 transformations, using its unique partnership to drive a value of chain of innovation.

12. [Placeholder for summary table of expected portfolio outputs over the Business Plan period – based upon 2019-2021 FINPLAN estimates available end-Sept, and having asked CRP Leaders to provide updated forward output/outcome projections]

5 Global Transformations ... which, - working with others- CGIAR can help... to address 5 Global Challenges... to meet the SDGs



Section 2: 10 System Actions for 2019-2021

ACTION 1: Implement and enhance the **current portfolio** of CRPs and Platforms

A. Implement the existing portfolio over the business plan period

13. The business plan would seek to continually support and improve the implementation quality of the existing Portfolio. One implication of a 3-year business cycle would be the next round of programs would start at the beginning of 2022, hence a new portfolio would start a year earlier with existing CRPs/platforms implemented for 5, not 6, years. In section 1 above, anticipated CRP outputs and outcomes as originally set out in the CRP proposals have been revised to reflect the amended portfolio duration and revised funding levels compared to the original funding assumptions underlying the CRP proposal estimates.

B. Address any gaps identified in the portfolio structure

14. Creation of a new Gender Equality Research Platform: the currently named ‘CGIAR Collaborative platform for gender research’- housed in the CGIAR Research Program on Policies, Institutions, and Markets (PIM) – will be elevated to a more identifiable CGIAR Platform, with the equivalent status of the Excellence in Breeding, Big Data and Genebanks Platforms, to deliver global leadership on gender equality and agriculture research that has transformative impacts, greater visibility for innovative work on gender equality research conducted across CGIAR, stronger convening power of the Platform, full embedding of gender equality in the fabric of CGIAR research, greater ability to absorb and deploy finance to leverage gender equality integration across CGIAR, more extensive engagement of CRP directors and other program elements, access to a wider set of funding pathways, and more prominence in System reporting.

C. Develop implementation and communication strategies to support the portfolio of CRPs and Platforms

15. The 5 global challenges will form the backbone of a new communication and portfolio implement support effort led by the System Management Board. This will use the global challenges as domains to communicate CGIAR’s portfolio as well as to identify themes that require greater strategy development. Initial elements identified by the System Management Board are set out below. These special initiatives, and their elements, will be:

- a. Developed over the business plan period
- b. Provide a vehicle for the System Management Board to actively support the portfolio by engaging on themes that run across the portfolio
- c. Anchored in the current portfolio – which in many areas already houses strategies and initiatives led by Centers (such as the [Global Landscapes Forum](#)) that seek to drive awareness and change.
- d. Use existing management and funding structures, not create new ones
- e. Typically address more than one global challenge at once – e.g. landscape restoration addresses planetary boundaries, food availability and creates jobs
- f. Not be a closed list in terms of the elements that could be taken forward on the global challenges – these will naturally evolve over time as the System Management board constantly seeks to improve portfolio implementation

TABLE 3: SPECIAL INITIATIVES ANCHORED ON THE 5 GLOBAL CHALLENGES

*** In the interests of reducing duplication, where noted, the accompanying Companion Document provides the detail for the initiative, or provides the framework for how that initiative will be explored and then brought before stakeholders for input and endorsement*

Special initiative on:	Initial elements across the CRP and Platform portfolio requiring additional strategy, implementation and communication efforts
Living within PLANETARY BOUNDARIES	<p>A. Implement an initiative on climate change – see Companion doc 1a</p> <p>B. A CGIAR-wide initiative on land restoration has been initiated by three CRPs (FTA, PIM and WLE) who have articulated a joint work plan in 2018 which the CRPs will take forward collectively (i) through joint activities, efficiencies and joint investments within the current CRPs framework, and (ii) planning new ambitious joint activities for additional funding and for the scaling of knowledge to meet the demand from the large number of countries investing in restoration. This is seen as part of the development of a wider CGIAR Strategy on Sustainable and Productive Landscapes which will be taken forward through a cross system process including the land restoration contributors and Agri-Food systems programs in 2019.</p> <p>C. Develop and implement a strategy for innovative, potentially transformational, Digital Extension Services for sustainable agriculture will launch CGIAR’s mandate for global public extension services into the information age. The CGIAR will launch a new program to build open-access, digital extension and knowledge services (including direct-to-farmer “Apps”) to support and accelerate changes in agricultural systems and land and water management critical for reversing the approach to planetary</p>

Special initiative on:	Initial elements across the CRP and Platform portfolio requiring additional strategy, implementation and communication efforts
	<p>boundaries. Beginning with a focus on water security in Africa, CGIAR will work with African institutions, IFIs and other partners to develop a suite of applications across the range of challenges associated with sustainable, resilient landscapes and food systems.</p>
Securing PUBLIC HEALTH	<p>D. Develop and implement a CGIAR-wide “Hidden Hunger” strategy – Like climate change, “nutrition” is a lens that, when applied to everything we do, adds a critical dimension that often changes initial assumptions about research priorities and expected outcomes. The CGIAR has developed a world-leading A4NH research program. In tackling malnutrition globally, one CGIAR contribution that has been identified is food-based solutions to micronutrient deficiencies. The intended Hidden Hunger strategy will aim to strengthen and communicate the fullness of CGIAR’s contribution to food-based solutions to malnutrition, assist A4NH in driving implementation and knowledge sharing across the partnership, and help define a longer-run ambition to inform CGIAR-wide planning from 2019.</p> <p>As an initial contribution to the above, a cross-Center strategy on biofortification has been developed to maximize the integration and scale-out of biofortification – see Companion doc 1b</p> <p>E. Strengthen CGIAR’s contribution on anti-microbial resistance and embed it in global One Health solutions – see Companion doc 1c</p>
Promoting EQUALITY OF OPPORTUNITY	<p>F. A CGIAR Gender Equality in Research Framework. [Companion document to be provided for SC7]</p>
Sustaining FOOD AVAILABILITY	<p>F. Implement a CGIAR initiative to enhance crop breeding programs. See Companion doc 1e.</p> <p>G. Develop and implement a “Dry Arc” concept – a new strategy for a research support program to meet the needs of dry areas (“The Dry Arc”). There is a significant existing range of activities across CGIAR relevant to and in support of dry areas of the developing world – this strategy will explore the potential to communicate, strengthen and expand this work as it relates to an arc of dry areas ranging from North Africa to China. The strategy will be drafted in 2018 for discussion on potential implementation during the business plan period. [Potential companion document by SC7 for November 2018]</p> <p>H. Implement an enhanced approach to response preparedness – See Companion doc 1f</p>
Creating JOBS AND GROWTH	<p>I. Develop and implement a special initiative around rural youth - enhancing the condition of youth, largely through employment in agriculture, was a new plank of the system portfolio for programs starting in 2016. IITA and other Centers have led the way in seeking to enhance youth employment through input services or agricultural concerns related to CGIAR expert knowledge through a</p>

Special initiative on:	Initial elements across the CRP and Platform portfolio requiring additional strategy, implementation and communication efforts
	wide range of projects and programs. In the inaugural business plan period, CGIAR will develop a more comprehensive system-wide initiative to drive communication, cross-learning and potentially funding.

D. Criteria for changes to the portfolio over the Business Plan period

16. Instances where the System Management Board may revert to the System Council to recommend an alteration to the existing indicative allocations and/or to recommend an additional allocation could include, for example, (i) interest from Funders in increasing W1/2 for significant research activities that fit within the existing or altered scope of a CRP/platform alongside the provision of new and additional financing for W1/2, or (ii) major new Funder investments in W3 that are provided on an unearmarked basis at the flagship or CRP/platform level, such that the required funding from W1 for these CRPs/platforms might diminish as a result.
17. Additional criteria for entry of new CRPs, Platforms or flagships into the existing portfolio during the business cycle 2019-2021 would be the requirement for a rating of 'A' from the System's Independent Science for Development Council (ISDC), unless there is an explicit decision by the System Council to make an exception.

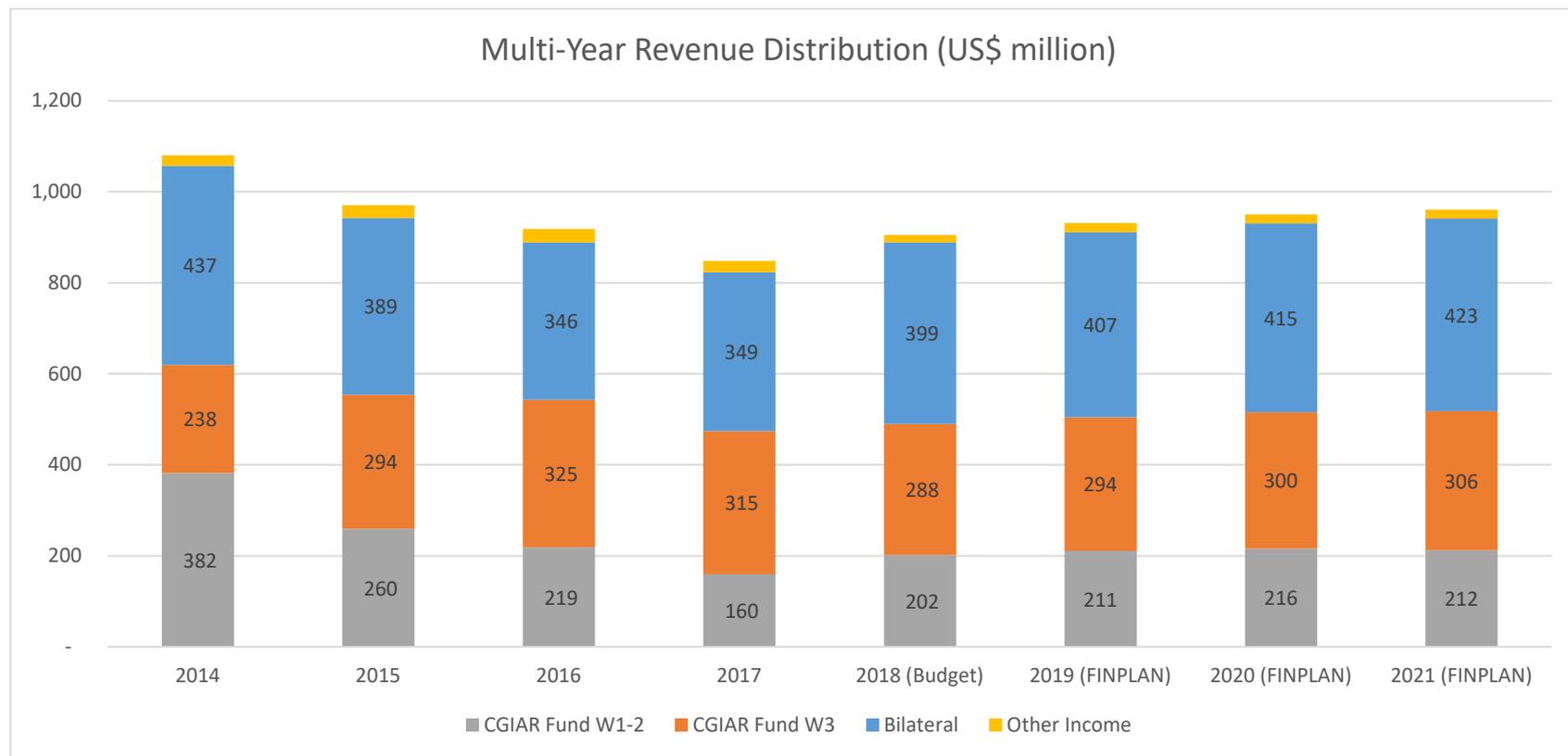
Background documents:

- 2017 CGIAR System Performance Report [under development]
- [2nd System Council meeting \(Mexico\)- Chair's Summary](#)
- [Presentation: CGIAR Portfolio 2017-2022. Martin Kropff, Interim System Management Board Chair](#)

ACTION 2: Secure sufficient volume and quality of funding

A. Implement the 2019-2021 FINPLAN – see Companion Document BP2

18. The 2019-2021 Financing Plan (FINPLAN) aims for increased volume, predictability and stability of available funding. After a period of decline, this business plan aims for a modest but steady growth in funding from the 2017 level of US \$848 Million to US \$961 Million in 2021.



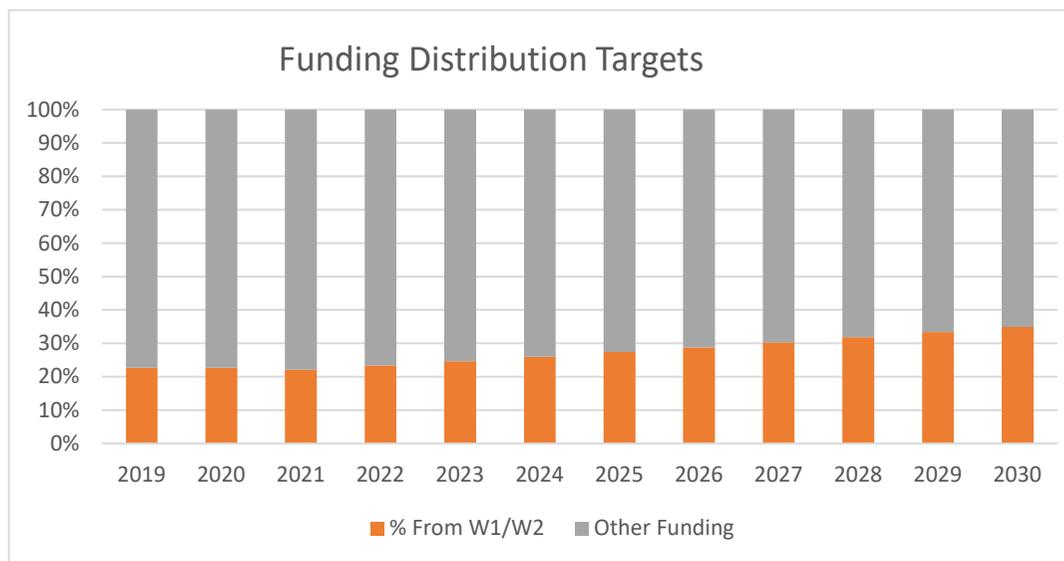
19. The plan calls for a steady increase in the proportion of funding provided through pooled W1/W2 funding, reaching the long-term target of 35% in 2030:

20. Key elements of the 2019-2021 FINPLAN comprise:

a. Sustained year-on-year growth in overall W1/W2 contributions of 9.6% for 2022 through 2030 to achieve the ambitious target of 35% of CGIAR Portfolio financial support derived from W1/W2 funds. Targeted W1/W2 contributions in 2030 are \$485 Million.

b. Maintaining the current [CGIAR Cost Sharing Percentage mechanism](#) (CSP) and rate (2%), while committing to providing proportionate rebates to Centers for any savings generated from CSP revenues in excess of System Entity

c. De-linking of W1/W2 to incentivize incremental funding support for individual CRP's and platforms. Volatility risks in Window 2 funding for CRP's will be mitigated by a higher level of confidence and consistency in the volume and allocations of Funder contributions, and use of a liquidity fund as below.



*** [SMB to Note Discussions with Funders are happening during September to evaluate the confidence level of the current funding targets. The diagram below, presents the current situation and will be updated as those conversations are completed]*

d. Systematic growth in the Window 1 Liquidity Fund from the current US\$17.5M million to US\$54 Million in 2021. The Window 1 Liquidity Fund is to be used to provide January-March (Q1) cash flow security to CRPs and platforms to ensure continuity of research without disruptions due to uncertainty of funding and cash flows, and to be called on a case-by-case basis by the System Management Board in the event of a shortfall in an unexpected W2 shortfall (with a cap on use of 20% of the fund and a floor of \$10 million to be maintained in any one year).

e. As set out under action 6 below, creating a combined Window 1 and Window 3 mechanism to establish a ‘CGIAR Alliance Opportunity Fund’ to attract additional funding to support Center alliances, collaboration and transition to transformation shared services platforms. This is proposed to be a targeted fund of US\$5M per year for each of 2019, 2020, 2021 to support up to 3 Center alliance initiatives, 6 strategic collaborations and explore 2 transformational shared service platforms during the 2019-2021 business cycle.

2019 W1/W2 Funder Confidence Levels



- High Confidence of Intention of Funder and likelihood of funding being received
- Discussions with Funders still pending
- Some identified risk to maintaining current funding levels
- Stretch Targets

B. Meet minimum overhead costs

21. Agreement to the following:

- a. From Centers: agreement to comply with updated ‘CGIAR Cost Principles and Indirect Cost Guidelines’¹ to ensure transparency of methodologies and consistency of treatment of expenses across Centers.

¹ Draft guidelines agreed to by the Corporate Services Executives’ community of practice and will be shared with Center Director Generals for endorsement in September with objective of seeking System Management Board approval in December 2018.

- b. From Funders: a pledge to consistently fund, across all funding channels, full costs of implementing research including indirect costs as defined in the ‘CGIAR Cost Principles and Indirect Cost Guidelines’. With recognition that the methodologies of recovery may vary from Funder to Funder and across funding channels, but a broad commitment to permit either direct charges or indirect allocations of full costs of delivery.

C. **Extend reconciliation of System Council Funder seating to end-2020**

22. An additional element of the funding and government framework relates to how and upon which basis CGIAR’s Funders agree to allocate the 15 ‘Funder’ voting members seats for the System Council.
23. With the current arrangements having been agreed by the Funders to take effect from 1 July 2016 (through to 30 June 2019) based on combined 2013-2015 calendar year contributions, the current contribution period will be extended to the second year of a business cycle (end 2020) so that i) there are maximum incentives for pledges at the beginning of each cycle to translate into seat impacts during that the pledging period, and ii) any seat impacts are made in advance of crucial decision-making in the final year of any business cycle. Additional provisions will be made for new Funders to be able to join the System Council one meeting agreed investment thresholds.

Background documents:

- 2019 Draft FINPLAN [**under development**]
- [Document SC6-02: Business Plan – Section 1.3-Planning for financial viability](#)
- [SC5-07: Financing Modalities](#)
- [SC4-03 Funding Modalities Scoping Paper, Revision 1](#)
- [July 2016 - CGIAR Transition Team - Note on Selection Process for SC Voting Members](#)

ACTION 3: Prepare a longer-term plan

A. Develop a 2030 Plan

24. A CGIAR “2030 Plan” will be developed during the Business Plan period that sets out an ambitious forward vision for the CGIAR System including a new round of programming for the 2022-2030 period, framed in terms of CGIAR’s planned contribution to meeting the SDGs.
25. Key questions for the 2030 Plan could include:
 - a. How should CGIAR’s role and focus evolve in light of accelerating contextual changes – including in advancing capacity of our partners?
 - b. What should be the major ‘programming themes’ in the 9-year plan?
 - c. Is CGIAR configured in the best way to achieve these? What could be its longer-term institutional objectives to 2030?
 - d. How to adjust funding and organizational incentives to achieve the right balance between diversity and focus in CGIAR’s work?
 - e. How could the CRP modality be further improved?
 - f. How could CGIAR’s funding model be changed?
 - g. How to re-frame CGIAR’s objectives and some elements of reporting in terms of SDGs?
 - h. How to improve the portfolio development process, learning from Phase 1 and 2 experiences?
26. The System Management Board will lead the development of the 2030 Plan, with a CGIAR System Reference Group operating as a consultation platform and engaging the System Council in key stages in its development and for final approval.

TABLE 4: KEY MILESTONES FOR 2030 PLAN

Key Stages	Process and Dates
Kick off and scoping	<ul style="list-style-type: none"> • Now: preparation of section on 2030 Plan in Business Plan document • CGIAR System Reference Group discussions in September and November • Discussion in General Assembly of the Centers, end-January 2019 • Outline of 2030 Plan development process and initial scope agreed at SMB mid-April 2019
Development	<ul style="list-style-type: none"> • Consultation within and beyond CGIAR • Strategy efforts on global challenges (Action 1 in Business Plan) • Possible Center informal workshop/retreat late summer 2019 • January 2020 General Assembly of the Centers, and CGIAR Partnership Forum used to drive the development phase • First draft to SMB end-April 2020 and SC May 2020 • Near final draft to SMB September 2020
Plan approval	<ul style="list-style-type: none"> • November 2020 System Council
Rollout	<ul style="list-style-type: none"> • 2021: integrate 2030 plan into design and approval of 2022-2025 Business Plan, including potentially 3-year portfolio implementation plans on key themes

ACTION 4: Strengthen program performance management

- A. Implement a 12-Point Framework for action on program performance management – see Companion Document BP4
27. The Companion Document provides a status update on the System’s progress on delivering a 12-point action plan for improving performance management and program reporting, ensuring that credible information - comprising a combination of careful *evaluation* of the past program, combined with assurance that *current research management systems* are designed, positioned and managed to deliver impacts as effectively and efficiently as possible - drives improvements over time.
- B. Implement Program Performance Management Standards for 2019 - Companion Document BP4 (as above)
28. The Companion Document also sets out the proposed Program Performance Management Standards (Point-9 from the 12-Point Action Plan) for the 2019-2021 CGIAR System Business plan. Endorsement of this first cycle of standards is requested to ensure that this critical element of the 12-point plan is implemented starting in January 2019. These will be assessed once per business cycle, and the achievement of standards will be a clear entry condition for funding in the subsequent cycle (i.e. necessary but not sufficient).

Background documents:

- Link to new Dashboard [under development – prototype ready before Council]
- Link to 2017 Performance Report [to be added after SMB10 endorsement]
- [SC6-02 CGIAR-Business-Plan-Concept - Section 3](#)
- [SC5-05: Results Reporting](#)
- [SC4-09A, Pre-read on Performance Management](#)
- [SC4-09B, Presentation on Performance Management](#)
- [SC3-03 Towards a Performance Management System](#)
- [2017 IEA Results Based Management evaluation](#)

ACTION 5: Continually improve people management

A. Reinforce and strengthen our shared ethical frameworks and practices

29. CGIAR’s Centers and the System Organization continuously strive to operate according to the highest ethical standards. The ‘Risk Families’ included in the CGIAR System Risk Management Framework include a focus on adhering to best practice ethical standards, and ensuring a culture of continuous learning, where incidents are quickly and appropriately responded to, and effective preventative measures are regularly reinforced.
30. Planned 2019-2021 deliverables for the System include:

TABLE 5: KEY DELIVERABLES FOR REINFORCING OUR SHARED ETHICAL FRAMEWORKS

Timing	Key deliverables
By not later than mid-2019	<p><u>Adopt whole of CGIAR System policies, guidelines and tools on:</u></p> <ul style="list-style-type: none"> • Safeguarding • Anti-bullying and harassment • Whistleblowing and whistleblower protection, underpinned by a single outsourced expert-provider platform that ensures reliable protected channels for those who chose to make confidential disclosures, whether inside or beyond CGIAR
During 2019-2020	<p><u>Test the principle and design:</u></p> <ul style="list-style-type: none"> • An outline for a whole of System Code of Conduct Framework, applicable to all CGIAR Stakeholders (Centers, System Entities, Funders), as the umbrella framework that sets the tone for how we as a CGIAR System wish to operate, engage, and act in the face of inappropriate, unethical and illegal behavior • A ‘tone at the top’ and ‘tone at the middle’ survey championed by Board of Trustees Chairs, with a pilot run in early 2020
During 2021	<p><u>Approve:</u></p> <ul style="list-style-type: none"> • CGIAR System Code of Conduct Framework • Relevant additional policies, guidelines and procedures to respond to identified gaps • Whole of System ‘tone of our operations’ survey, with bi-annual consolidated reporting shared with all CGIAR stakeholders

31. Annual meetings of the General Assembly of the Centers will be the forum to table identified opportunities for further strengthening our systems, our communications and our actions where deficiencies exist. Periodically, our actions will be tabled and discussed with the System Council's Assurance Oversight Committee, in line with its mandate oversee System-wide governance, risk management and internal controls.

B. Develop a CGIAR People Strategy

32. As an important part of the 2030 plan, a 'people strategy' will be developed and an implementation plan mapped into subsequent Business Plan cycles. The development of a people strategy will be driven by a strengthened Community of Practice on CGIAR Human Resources. The philosophy of the strategy will be one of recognizing subsidiarity of decision-making in Centers. Some key questions, issues and opportunities to be considered in the development of a people strategy include:

- How to foster a CGIAR culture/mindset/identity that reflects the vision, mission, principles and shared ethical frameworks of CGIAR?
- How to attract and better manage capacity given the wide inter-generational and multi-cultural context?
- How to support greater mobility of staff across Centers and with external partners?
- How to consolidate System-wider HR data and metrics as part of the wider performance measurement, information management and accountability structures/mechanisms?
- How to maximize the impact on capacity development?
- Whether/how to develop alumni management approach to better connect to this key asset?
- How to better embed strategic talent and talent management topics into Board of Trustees dialogues in a way that's a value add?

C. Design and implement a Gender and Diversity in the Workplace Framework- see Companion Document **xx**

33. A key focus of the 2019-2021 Business Plan will be to implement the CGIAR Gender and Diversity Framework anticipated to be presented for approval by the System Council and System Management Board by end-2018. This will be an overarching and high-level document that i) enshrines the System’s commitment to gender equality and diversity, ii) sets forth agreed System-wide strategic objectives and high-level targets, and iii) provides an overall accountability framework.

[options, and timing for those options, to be developed by [19] October based on recommendations made by a consultancy firm with input from a Gender Reference Group, and following its consultations with stakeholders across the System]

34. With many pledges emerging globally as a way for organizations and people within them to commit to moving gender equality and diversity forward, it is vital for CGIAR to get on board with some of these pledges. These are important mechanisms for making key strides towards our objectives in this area. Some of the pledges and key actions that will be adopted and monitored for achievement over the first Business Plan cycle will include:

[e.g. Committing to the Panel Parity Pledge and two SMART commitments by each head of an organization²; measuring and addressing the gender pay gap; setting minimum requirements for gender equality and diversity including on boards and other governance structures; periodically benchmarking performance with comparator organizations. To be completed by [19] October on the basis of recommendations made by a consultancy firm with input from a Gender Reference Group, and following its consultations with stakeholders across the System]

Background documents:

- [Risk Management Framework of the CGIAR System - November 2017](#)
- [2017 Evaluation on Gender in CGIAR workplace](#)
- [CGIAR 2011 Gender Strategy - Workplace and Research](#)

² <https://www.genderchampions.com/about>

ACTION 6: Pursue new cross-Center alliances

- A. A special funding initiative to support new Center alliances- see Companion Document BP6a
35. Currently there are discussions and planning ongoing around potential Center alliances, including: [Center clearance required]
- a. Center X and Center Y
 - b. Center A and Center B
 - c. [xx – others?]
36. The companion paper sets out a case and modality for co-financing some of the transition costs for these alliances, which is also included in the draft 3-year FINPLAN. [*** companion paper to include current circulated statements by the respective centers on the status of conversations*]
- B. Explore priority shared services opportunities between Centers - see Companion Document BP6b
37. [Placeholder subject to input from DG Group formed at the 2nd General Assembly, Rabat, on possible strategic approach to transformational shared services]
- C. Set up a CGIAR Rome-Hub
38. [Placeholder for any decision coming from SMB10 on this]

Background documents:

- [Link to SMB10 paper on CGIAR Rome Hub post SMB10]

ACTION 7: Enhance **collaboration** with science and delivery partners

A. Implement a new country collaboration strategy - see Companion Document BP7a

39. Better country collaboration is a key objective for CGIAR. The companion paper sets out concrete steps to implement during this business plan period, with a view to building on this incrementally in the future.

B. Deepen private sector collaboration: - see Companion Document BP7a

40. Taking CGIAR Centers to market will generate social and economic value from investor and industry collaborations as well as embed CGIAR research within market value chains. Drawing on the July 2018 CGIAR workshop on Private Sector Partnerships for Impact Acceleration, the companion document sets out an action plan to drive forward this agenda.

C. Establish new Multilateral Development Bank cooperation platforms

41. Integration of CGIAR research with Multilateral Development Bank operations will help strengthen partnerships with national governments and delivery impact through the investment power of development bank investment programs.

42. Targeted activities during the business plan period include:

- a. Coordinate CGIAR presence at Multilateral Development Bank-convened events including high-level presence during annual and governance meetings;
- b. Establish a Multilateral Development Bank advisory group (including World Bank, AfDB, IDB, ADB, IFAD and others);
- c. Design and implement a database/portal, leveraging CGIAR Country Collaboration activities, to share country specific knowledge resources, tools, solutions, and relevant staff expertise for use by bank program design teams;
- d. Facilitate streamlined procedures for CGIAR to collaborate with borrowers of banks within the operational guidelines of the organizations, starting with World Bank procurement;

- e. Strengthen the capacity of CGIAR staff on the specific needs and operations of Multilateral Development Banks to support successful partnerships.

D. Strengthen cooperation with science partners

43. Research partnerships play a critical role in science and in solving complex development problems. CGIAR recognizes the evolving architecture in agriculture research, including specialized capacity in other research organizations, universities, and the growing strength, and or role, of National Agricultural Research Systems.

Background documents:

- [SC6-02 CGIAR Business Plan Concept](#) – Section 2.3 Strengthened collaboration with delivery partners: Slide #21
- [IEA Evaluation of Partnerships in the CGIAR](#)
- [Document SMB9-10: Wrap-up of SMB Working Group on Country Collaboration](#)
- [2018/2019 CGIAR Resource Mobilization Work Plan](#)

ACTION 8: Align and enhance assurance systems

A. Increase coordination and information sharing between assurance providers – see Companion document BP8

44. The Companion Paper (Action 8 – Assurance) sets out how the 2019-2021 Business Plan implementation period will be used to deliver to the System a first opportunity to view a System-wide mapping of the work of CGIAR’s assurance providers, delivering to the System Management Board and System Council objective reliable information on whether the System receives adequate assurance on opportunities and risks, where overlaps and/or gaps may exist, and where collaboration can be enhanced. Increased collaboration with Funder-own assurance and evaluation teams is also envisaged.

B. Evolve our risk management maturity

45. Strengthened risk management maturity awareness and capacity is a key focus of CGIAR’s Centers and the System Organization over the 2019-2021 inaugural Business Plan period. Building on a Center-initiated pilot risk maturity self-assessment discussed and agreed with the System Council in May 2017, the Companion Document (Action 8 – Assurance) sets out an action plan to take this forward.

C. Evolve capacity to increase the value of internal audit

46. Similarly, the Companion Document (Action 8 – Assurance) sets out an action plan to implement recommendations arising from a cross-Center external independent assessment of the quality and capacity of Center Internal Audit teams, benchmarking those teams against international best practice.

D. Harmonize cross-System internal controls frameworks for shared risks

47. The inaugural 2019-2021 Business Plan will be used by Center Boards of Trustees and the System Management Board to consider whether as a System, CGIAR has in place the necessary minimum policy environment, oversight activities, management practices and culture to provide reasonable assurance regarding the achievement of CGIAR’s shared objectives relating to operations, reporting, and compliance – namely an adequate ‘internal controls framework’. The Companion Document (Action 8 – Assurance) sets out a plan of action to take this forward.

Background documents:

- [Terms of Reference - CGIAR System Internal Audit Function](#)
- [SC4 - Brainstorming Risk and Risk Maturity - May 2017](#)
- [Terms of Reference - System Council Assurance Oversight Committee](#)
- [Risk Management Framework of the CGIAR System - November 2017](#)
- [Risk Management Guidelines of the CGIAR System - December 2017](#)

ACTION 9: Align **advisory services** into System-level decision-making

A. Implement System Council decision on advisory services

48. [placeholder for SIMEC provided to include key elements of a transition plan subsequent to System Council decision on TOR for ISDC, SPIA and the Advisory Services Shared Secretariat – electronic decision request is pending at time of issue of this paper]

[Note: Diligent Boards has the still internal-CGIAR paper that has been issued to the System Council for electronic vote]

Background documents:

- [Document SC6-05: SIMEC Think-piece on the future of CGIAR's advisory bodies](#)
- [SC6 Chair's Summary - Decisions on advisory services](#)

ACTION 10: Collaborate on shared resource mobilization and communication

A. Develop and implement a System-wide marketing and communications strategy

49. Developed in collaboration with the CGIAR Heads of Communication Community of Practice, to support resource mobilization efforts, further raise the profile of CGIAR, its Centers and CRPs, and create an enabling environment for the implementation of the Business Plan.
50. More specifically, the communication strategy, initiatives and tactics will promote the new CGIAR narrative, food systems, the five global challenges and transformations, featuring the work of Centers and CRPs as evidence of progress towards these.
51. The communication strategy will include the following deliverables:
- “Umbrella” profile-raising marketing campaign based on the new CGIAR narrative featuring the work of Centers and CRPs around the five global challenges and transformations;
 - One major CGIAR-wide publication every business cycle on the “Global state of knowledge on food systems” or other topic to be confirmed;
 - CGIAR participation at high-level global over the Business Plan period;
 - Yearly media outreach plans; and
 - Communications around the proposed combined 2020 General Assembly of the Centers and the inaugural CGIAR Partnership Forum.

B. Implement a System-wide resource mobilization action plan

52. Developed in collaboration with the Resource Mobilization Community of Practice and in coordination with the Heads of Communication Community of Practice, key objectives of the plan include increasing total System funding (Window 1, 2, 3, and bilateral); grow the share of W1 and W2



funding towards a goal of 35% and increase predictability of System funding through multi-year agreements or indicative pledges.

53. Target areas of growth over the business plan period will follow those set out in the 2018/19 Resource Mobilization & Communications Action Plan (refer background documents below):
- a. System Council Funders: Greater stewardship and stories sharing the impacts of CGIAR investments.
 - b. Partner with System Council Funders: Implement strategies to bring new funders to CGIAR through introductions and co-investments with System Council funders.
 - c. Lapsed Funders: Bring past Funders back to the System Council and shared research program.
 - d. New markets: Develop pathways for new markets to invest in CGIAR and join the System Council.
 - e. New mechanisms: Test and validate new sustainable funding mechanisms to support System programs.

Background documents:

- CGIAR Resource Mobilization & Communications Action Plan 2018-2019 (Action 10.B) NB: Originally presented for discussion at the 8th CGIAR System Management Board meeting – document number [SMB8-09A](#)
- 2018 [CGIAR narrative](#)
- New [CGIAR.org](#) website
- [CGIAR System Framework](#) (Article 12 on CGIAR Partnership Forum)

Section 3: Bringing it together

A. A responsibility and monitoring framework for Business Plan implementation

ACTIONS	RESPONSIBILITY	STATUS (Baseline 2018*)
1. Implement and enhance the current portfolio of CRPs and Platforms	Centers	
2. Provide sufficient volume and quality of funding	Funders	
3. Prepare a longer-term plan for continued relevance	Preparation: SMB Approval: SC	
4. Strengthen program performance management	Centers	
5. Continually improve people management	Centers	
6. Support new cross-Center alliances	Centers – design and implementation Funders – financial support	
7. Enhance collaboration with delivery partners	Centers	
8. Align and further enhance assurance systems	Centers, System Organization	
9. Align advisory services into System-level decision-making	System Council	
10. Collaborate on a shared communication and resource mobilization effort	Centers	

* Color key: RED=NOT YET COMMENCED or NOT ACHIEVED, ORANGE=IN PROGRESS or PARTIALLY ACHIEVED, GREEN=COMPLETED AND ACHIEVED

B. Alignment of workflow over the Business Plan period

[Note: Will be revised over time – not fixed, but evolve as implementation does]

Implementation Actions	2019	2020	2021
1. Implement and enhance the current portfolio of CRPs and Platforms	<i>[Note: for completion after SMB10]</i>		
2. Provide sufficient volume and quality of funding			
3. Prepare a longer-term plan			
4. Strengthen program performance management			
5. Continually improve people management			
6. Support new cross-Center alliances			
7. Enhance collaboration with delivery partners			
8. Align and further enhance assurance systems			
9. Align advisory services into System-level decision-making			
10. Collaborate on a shared communication and resource mobilization effort			

Closing [Juergen and Marco]

Max 1 page from SC and SMB Chair

