

## System Management Board Members and Interim Chair

### Purpose

This document:

1. Records the earlier decisions of the General Assembly of Centers appointing the inaugural nine voting members of the System Management Board (“**Board**”) of the CGIAR System Organization, and of the Fund Council’s decision in advance of the transition to the revised CGIAR System, appointing Nicholas Austin as Interim Executive Director of the CGIAR System Organization, and as such, an ex-officio non-voting member of the Board;
2. Proposes, for Board approval, terms of reference for the role of Interim Chair of the Board; and
3. Puts forward, for Board approval pursuant to Article 7.3 of the Charter of the CGIAR System Organization (“**Charter**”), the appointment of Martin Kropff, Director General of CIMMYT, as Interim Chair of the Board based on the recommendation of the Centers.

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## Recommended Decision

1. Pursuant to the discussion below, the System Management Office puts forward the following as the proposed decisions of the System Management Board in respect of the member and Chair role of the System Management Board:

### **The System Management Board:**

- a. **Notes** the appointment by the Centers of the nine voting members of the Board as identified in this Board paper.
- b. **Notes** the appointment by the CGIAR Fund Council of Nicholas Austin as Interim Executive Director of the CGIAR System Organization, who serves by nature of that appointment as an ex-officio non-voting member of the Board.
- c. **Approves** the Terms of Reference for the Interim Chair of the Board as set out in appendix 1 of document SMB1-03.
- d. **Appoints** Martin Kropff as Interim Chair of the Board effective immediately and until a successor is appointed.

## Introduction

2. The CGIAR Research Centers (“**Centers**”) and funders (“**Funders**”), along with other stakeholders, have been working in collaboration since a decision was taken in Bogor in April 2015 at a meeting of the CGIAR Fund Council to transition to a new CGIAR System, with a revised governance model to be put in place by 1 July 2016.
3. After a number of consultations, the Centers and Funders, at a meeting in Washington, D.C. over 6 - 8 June 2016, agreed on a new CGIAR System Framework document for the CGIAR System which provides for a CGIAR System Council and a CGIAR System Organization (“**System Organization**”).
4. The System Organization, in accordance with the prior decision taken in Bogor, has been built on the legal personality of the Consortium of International Agricultural Research Centers (“**Consortium**”), which required an amendment and restatement of the governing document of the organization, the CGIAR Constitution (“**Constitution**”) and renaming of the Constitution to the CGIAR System Charter (the “**Charter**”).
5. In accordance with the Constitution, the Consortium Board adopted the new Charter with effect from 1 July 2016 subject to Center approval in accordance with the Constitution.

6. By unanimous decision also with effect from 1 July 2016, the Centers approved the Charter as an amendment of the Constitution. Therefore, the Charter came into effect as of 1 July 2016.
7. As part of the transition, the Consortium Board independent members resigned their positions as Board members with effect from the same date. New Board members have been appointed for the System Management Board (“**Board**”) with effect from 1 July 2016 by the Centers in accordance with the Charter. The Centers, acting through the General Assembly of Centers, also voted on a proposal for an Interim Chair for the Board.

### Appointment of Board voting members by the General Assembly of Centers

8. As a matter of record, in accordance with Articles 5.6 and 7.2 of the Charter, the Centers, by unanimous decision on 24 June 2016 and based upon the nomination for election by the General Assembly of the Centers, appointed the following nine individuals to serve in the capacity as voting members of the System Management Board for the term indicated:
  - 8.1 **Independent members** for a one-year term commencing on 1 July 2016, renewable for up to two years:
    - a. Catherine Bertini
    - b. Eugene Terry
  - 8.2 **Center Board members or Directors General** for a one-year term commencing on 1 July 2016:
    - a. Shenggen Fan (Director General of IFPRI)
    - b. Martin Kropff (Director General of CIMMYT)
    - c. Bushra Naz-Malik (ICRAF Board of Trustees)
    - d. Gordon McNeil (AfricaRice Board of Trustees)
    - e. Jimmy Smith (Director General of ILRI)
    - f. Margret Thalwitz (ICARDA Chair of the Board of Trustees)
    - g. Ann Tutwiler (Director General of Bioversity)

### Terms of Reference for Interim Chair and Appointment of Interim Chair

9. Article 7.3 of the Charter indicates that the Board shall appoint a Chair from amongst its members, and Article 7.2(b) notes that, whenever possible, one of the two independent members should be Chair.

10. Concurrent with the decision of the Centers that is recorded in paragraph 8 above, the Centers also voted that Martin Kropff should serve as Interim Chair of the System Management Board to ensure a smooth transition, with the Board then taking a decision on a Chair in due course.
11. Whilst the Charter is silent about the approval of terms of reference (“**TOR**”) for the role of Chair, it is good governance practice for the role to operate according to a TOR.
12. Appendix 1 to this paper sets out a draft TOR for the role of Interim Board Chair of the System Organization. The System Management Office has used the Charter, which is the legal instrument of the System Organization, as the basis for preparation of the TOR, thereby ensuring that it addresses the essential aspects of the role and its responsibilities. The draft TOR takes note of the Centers’ advice surrounding the proposed interim nature of the role, until the Board makes a further decision on the role of Chair.
13. The draft TOR for the role of Interim Chair is put forward for review, and if considered appropriate, approval by the Board.
14. Based on the unanimous decision of the Centers, it is further proposed that the Board, pursuant to its powers in Article 7.3 of the Charter, formally appoint Martin Kropff to the position of Interim Chair of the Board.

#### Ex-officio non-voting member of the System Management Board

15. Article 7.4 of the Charter provides that the Executive Director of the System Organization shall serve on the System Management Board as an ex-officio non-voting member. As a matter of record, with effect from 1 July 2016, the Interim Executive Director of the System Organization is Nicholas Austin.

## Draft Terms of Reference for System Management Board Interim Chair

### Mandate

1. The Interim Chair is appointed by the voting members of the System Management Board (“Board”), in accordance with the Charter of the CGIAR System Organization, and acts according to these terms of reference.
2. The Interim Chair’s role is one of facilitation and strategic leadership. The Interim Chair is responsible for enabling the Board to effectively carry out its obligations and responsibilities. The Interim Chair acts as the liaison between management of the CGIAR System Organization and the Board, and as the primary representative and spokesperson for the Board.
3. The Interim Chair serves as one of the nine voting members of the Council, in his personal capacity and not as a representative of his employer.

### Functions

4. The Interim Chair shall provide the following:
  - a. *Leadership of the System Management Board*
    - i. Lead the Board in the full discharge of its functions;
    - ii. Seek to build productive relationships among Board members and Active Observers, and establish and maintain a culture within the Board for strategic decision making that is in the best interests of the CGIAR System; and
    - iii. Where possible based on an available candidate, facilitate the effective transition to an Independent Chair of the System Management Board, including providing on-boarding support during any transition phase.
  - b. *Facilitation of Board meetings*
    - i. Schedule regular meetings of the Board in consultation with the full Board, and preside over Board meetings;

- ii. In consultation with the Executive Director and Board members, propose the agenda for each Board meeting and direct the preparation of pre-meeting information and papers;
  - iii. Manage the Board in an effective manner so that the Board can discharge its roles and responsibilities;
  - iv. Ensure that the recommendations of any standing committee or other advisory bodies are discussed with the Board and decisions are taken and implemented;
  - v. Summarize all decisions taken by the Board; and
  - vi. Guide the System Management Office to publish a record of the conclusions and decisions reached at each meeting.
- c. *Support for formation of the Board's standing committees and approval of terms of reference for the system-wide Internal Audit Function*
- i. Pursuant to Article 9.11 of the Charter, guide the Board in the transparent selection and appointment of the Chair and members of the Board's Audit and Risk Committee, and Strategic Impact, Monitoring and Evaluation Committee, as facilitated by the System Management Office; and
  - ii. Pursuant to Article 8.1(i) of the Charter, guide the Board in the approval of the terms and reference and process for fulfilling the Internal Audit Function, in consultation with the Centers and System Council members, as facilitated by the System Management Office.
- d. *External representation*
- i. Serve as one of the primary spokespersons of the CGIAR System to the public on strategic matters, unless the Interim Chair decides to delegate this responsibility for a specific period on a specific issue;
  - ii. Perform high-level outreach to governments, international institutions, advanced research institutes, private sector and civil society to advance the purpose of the CGIAR System as a whole; and
  - iii. maintain on-going communications with and among other key stakeholders of the CGIAR System.
- e. *Performance oversight of Executive Director*
- i. Provide regular counsel to the Executive Director of the CGIAR System Organization; and
  - ii. Guide the Board in ensuring an appropriate process for conducting an annual performance review for the Executive Director that includes the inputs of System Council members and other stakeholders.

## Effective CGIAR System working relationships

5. In liaison with the Executive Director, collaborate with the Chair of the System Council to ensure effective decision-making and communication throughout the CGIAR System.

## Budget and operational support

6. The travel costs related to the Interim Chair's discharge of his role and responsibilities for the Board will be met by the CGIAR System Organization in accordance with the organization's travel policy.

## Conduct, ethics and conflicts of interest

7. Recognizing the potential for conflict of interest situations to arise, the Interim Chair shall act in good faith in the interests of the CGIAR System and according to the Board's policy on ethics and conflicts of interest.
8. In the event that the Interim Chair determines that he is in a position of conflict of interest with an item before the Board, the Interim Chair will recuse himself from chairing or engaging in other expected activities of a meeting chair in regard to that item. In such a case, the Board will appoint an alternate person to serve as temporary Vice Chair who will act in his stead, unless the Board agrees to take an alternative approach.

## Indemnification

9. The System Organization agrees to: (a) indemnify and hold harmless the Interim Chair from any and all claims, demands, losses, causes of action, damage, lawsuits, judgments, including attorneys' fees and costs, arising out of or relating to the work of the Interim Chair of the System Council, and (b) procure reasonably adequate insurance to cover any such liability.