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**Framework Document
for
The CGIAR Fund**

DRAFT 3

**CGIAR Secretariat
Washington, D.C.**

22 May 2009

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Glossary

Accountability Framework: An integrated description of the roles, relationships and mutual expectations of the components of the CGIAR and the principles and processes agreed to reinforce accountabilities in the System.

Active Observer: An individual invited to participate in the meeting of a committee in observer status (not as a member of the committee), expected to participate in the discussions but not in decision-making.

Administration Agreement: A legal agreement between the Trustee (World Bank) and Donor(s) which governs the trust funds. The AA defines the nature of the Bank's relationship with the donor and spells out the arrangements governing the use of funds, the donor's funding commitment, progress and financial reporting, auditing, cost recovery, disclosure of information, etc.

Bilateral donors: A donor that provides part or all of its funding [cf. Fund Donor below] to a CGIAR Center directly, through a bilateral arrangement that provides support for mega-programs under the Strategic Results Framework and the Centers and their partner institutions implementing the programs.

Centers: International agricultural research centers of the Consortium that implement the CGIAR's program portfolio. Centers receive funding both from the CGIAR Fund (through the Consortium) and may also receive funding from bilateral donors that provide support for mega-programs under the Strategic Results Framework and the Centers and their partner institutions implementing the programs. Centers operate under oversight of their own Board and the Consortium.

CGIAR (or CGIAR System): The global network of donors, international agricultural research Centers, and the governing and advisory bodies created by them.

CGIAR Fund or Fund: A central multi-donor fund that serves as a strategic financing facility for the CGIAR System to provide multi-year support for mega-programs under the Strategic Results Framework.

Consortium of CGIAR Centers (or Consortium): A legal entity established by the Centers that is the recipient of funding from the CGIAR Fund for implementation of the Strategic Results Framework through the Centers and their partners, and the signatory of the performance agreements with the Fund.

Donor (or CGIAR Donor): A country or organization (including foundations, multinational agencies and non-governmental organizations) that provides funding to support activities carried out by the CGIAR.

121 **Fund Council:** The decision-making body for the CGIAR Fund acting on behalf of the
122 Fund Donors.
123

124 **Fund Donor:** A donor that provides funding to the CGIAR Fund.
125

126 **Fund Office:** The support unit of the Funders Forum and the Fund Council hosted,
127 administratively, by the World Bank.
128

129 **Fund Transfer Agreement:** An agreement between the Trustee (World Bank) and the
130 Consortium confirming the amount, Mega-program, account information and other
131 identifying information necessary to affect the transfer of funds to the latter.
132

133 **Funders Forum** A forum of all donors to the CGIAR over a threshold amount, including
134 bilateral donors and Fund donors, countries hosting the headquarters of CGIAR Centers
135 and stakeholder representatives invited by the Chair of the Funders Forum in consultation
136 with donor members.
137

138 **Global Conference on Agricultural Research for Development (GCARD):** Biennial
139 conference organized by the Global Forum on Agricultural Research (GFAR) to create a
140 development-outcome-based framework for improving the targeting of international
141 agricultural research and to provide inputs to CGIAR on strategy and priorities.
142

143 **Independent Science and Partnership Council (ISPC):** [The science-advisory organ of
144 the CGIAR, whose primary responsibility is to enhance and promote the quality,
145 relevance and impact of science and science partnerships in the CGIAR.]
146

147 **Limited Fiduciary Arrangement (LFA):** A type of trust service provided by the World
148 Bank where funds received from the donors are transferred through the World Bank to an
149 agreed third party or entity. In an LFA the Bank, as trustee, is not responsible for
150 monitoring the use of funds or for supervising the execution of activities by said entity.
151

152 **Mega-program:** The programmatic and operational expression of the CGIAR's Strategic
153 Results Framework to be implemented by the Consortium through the Centers and their
154 partner institutions, and the subject of the performance agreement between the
155 Consortium and the Fund. Mega Programs are the key delivery mechanism for the
156 outputs of the Strategic Results Framework.
157

158 **Mega-program portfolio:** The suite of Mega Programs that constitutes the entire
159 Strategic Results Framework of the CGIAR.
160

161 **CGIAR Multi-Donor Trust Fund (MDTF):** A trust fund operated by the World Bank
162 since 2005 which transfers funds to Centers and other legal entities representing CGIAR
163 programs and undertakings based on specific instructions from the contributing donor.
164

165 **NARS:** National agricultural research systems, including academia, public and private
166 sector institutions, and civil society organizations.

167

168 **Partners:** Groups and entities that work in partnership with CGIAR, including NARS,
169 regional fora, Global Forum on Agricultural Research, advanced research institutions in
170 the North and the South, private sector organizations, non-governmental organizations,
171 and donors.

172

173 **Performance Agreement (for mega-programs):** A binding agreement between the Fund
174 and the Consortium on each Mega-program, clarifying mutual obligations and
175 expectations, as well as the remedies for non-compliance.

176

177 **Results Framework:** The *program logic* that describes the objectives of an action and the
178 presumed causal relationships and underlying assumptions about how that action leads to
179 the intended outcomes and impacts. CGIAR's mega programs are an integral part of the
180 Results Framework and are tied to its strategic objectives through a cause and effect
181 logic.

182

183 **Shareholders (or Investors):** Countries and organizations that contribute financially to
184 the CGIAR System. Terms used interchangeably with "Donors."

185

186 **Stakeholder:** An individual or organization who is affected by the actions of the CGIAR,
187 including especially those involved or interested in agricultural research for development,
188 such as the institutions that partner with CGIAR Centers in the production or delivery of
189 research results.

190

191 **Strategy and Results Framework (or Strategic Results Framework):** A systematic
192 description of the CGIAR's strategy and the results framework that shows the specific
193 outputs and outcomes that are expected to result from the implementation of the strategy.

194

195 **Trustee:** The World Bank, in agreement with Fund Donors, maintaining the CGIAR
196 Fund and disbursing funds to the Consortium.

197

198 **Unrestricted funding (or "unrestricted system funding"):** A type of funding that is
199 provided to the Fund as a whole, available for allocation by the Fund Council based on its
200 judgment, following review of funding requests from the Consortium.

201

202

A. Introduction: The New CGIAR

The CGIAR (Consultative Group on International Agricultural Research) was established in 1971 as an informal network of public and private sector entities from the South and the North, committed to mobilizing international agricultural research to support agricultural development in developing countries. Since 1971 the acronym CGIAR has referred both to the “group of donors” acting as a consultative body and the larger system made up of members, international agricultural research centers, and the governing and advisory bodies such as the Annual General Meeting, Executive Council, Science Council, Genetic Resources Policy Committee, Private Sector Committee and the System Office made up of units carrying out support and coordination functions.

In 2008, the CGIAR adopted a new vision and three strategic objectives for its activities in research for development:

CGIAR Vision: To reduce poverty and hunger, improve human health and nutrition, and enhance ecosystem resilience through high-quality international agricultural research, partnership and leadership.

Strategic Objectives:

- ❖ ***Food for People:*** Create and accelerate sustainable increases in the productivity and production of healthy food by and for the poor.
- ❖ ***Environment for People:*** Conserve, enhance and sustainably use natural resources and biodiversity to improve the livelihoods of the poor in response to climate change and other factors.
- ❖ ***Policies for People:*** Promote policy and institutional change that will stimulate agricultural growth and equity to benefit the poor, especially rural women and other disadvantaged groups.

The extensive reforms approved in 2008 introduced a new organizational architecture and governance model. The unitary oversight model of the old CGIAR is being replaced by two separate but mutually reinforcing pillars, one on operations (the Consortium of CGIAR Centers) and the other on financing (a new CGIAR Fund), with several new mechanisms forming a bridge between the two pillars. This two-pillar structure provides a clear separation between the “doers” and the “funders.” Consequently, the acronym “CGIAR” now refers to the informal research partnership system that brings together donors, international agricultural research Centers and the governing and advisory bodies created by them.

The Consortium of CGIAR Centers is a new legal entity being established by the international Centers (15 in 2009) that are part of the CGIAR to facilitate collective action and provision of common services. *The CGIAR Fund* is a new multi-donor, multi-year funding mechanism set up to provide strategic financing to support priority

249 agricultural research areas. These two pillars are joined through four *bridging*
250 *mechanisms*:

- 251 1. *Strategic Results Framework* setting common goals (in terms of
252 development impacts), strategic objectives and results (in terms of outputs and
253 outcomes) to be jointly achieved by the Fund, the Consortium and other
254 bilateral funders to the Centers within a certain time frame;
- 255 2. *Performance Agreements for mega-programs* between the Fund and the
256 Consortium—for operationalizing the agreed Strategic Results Framework;
- 257 3. *Accountability framework* --defining roles, clarifying relationships, mutual
258 expectations and agreed principles and processes to reinforce accountabilities;
259 and,
- 260 4. *Independent Science and Partnership Council (ISPC)*--enhancing and
261 promoting the quality, relevance and impact of science and science
262 partnerships in the CGIAR by providing scientific advice on strategy,
263 priorities, programs and emerging issues and on science partnerships for
264 greater impact. ISPC reports to the Fund Council and informs the Consortium
265 on relevant scientific and partnership issues. .
266

267 This document describes the main features of the new CGIAR Fund and the roles,
268 responsibilities, relationships and accountabilities of the entities associated with the
269 functioning of the CGIAR Fund.

270

271

272

B. The CGIAR Fund

273

274 The CGIAR Fund is a central, pooled fund providing multi-year support for the Mega-
275 Programs under the Strategic Results Framework for implementation by the Centers and
276 their partner institutions implementing the Programs. The CGIAR Fund is intended to
277 facilitate harmonization of donor support by providing a single entry point for financing
278 the CGIAR's strategic results framework and agreed mega-programs through three
279 designated funding windows. This Fund is different from the current CGIAR Multi-
280 Donor Trust Fund (MDTF) in the World Bank, which transfers funds to Centers and
281 other specified recipients based on specific instructions from each contributing donor. In
282 the case of the CGIAR Fund, transfers to the recipients are additionally made on the basis
283 of instructions from the Fund Council.

284

285 Fund Donors may designate use of their funds in one of three ways (each a category), in
286 the following order of preference to support coordination and harmonization:

- 287 1. To the entire CGIAR program portfolio, (i.e., unrestricted funding—to be
288 allocated by the Fund Council to mega programs or Centers);
- 289 2. To one or more of the Mega-Programs that are part of the agreed program
290 portfolio (program funding); and,
- 291 3. To one or more Centers (institutional funding for activities under the strategic
292 results framework).

293

1. Guiding Principles

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By participating in the CGIAR Fund, donors agree that:

1. The Fund is an instrument for harmonizing their approach to funding international agricultural research through the CGIAR;
2. They are financing the approved CGIAR Strategic Results Framework through any of the three funding categories, preferably through the unrestricted funding category;
3. Bilateral funding sources to the Centers outside the CGIAR Fund will also contribute to the agreed Strategy and Results Framework and mega-programs;
4. The relationship between the Fund and the Consortium will be operationalized through program performance agreements for each mega-program;
5. They will rely on the judgment of the Fund Council, as the decision making body of the Fund, to make allocation decisions on unrestricted funds (Window 1), following review of funding requests from the Consortium;
6. Fund Donors providing program funding agree that, in the event their preferred program(s) are overfunded, the Fund Council would allocate the excess resources to under-funded programs or expand the preferred programs over time, in consultation with affected donors;
7. financing portion of all Fund contributions will be used for financing the approved operating budgets of the Fund Office, ISPC and any other business expenses associated with the Fund Council and the Funders Forum, in addition to the trust fund administration fee charged by the World Bank.

319 **2. Entities Associated with the Fund**

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The CGIAR’s new governance model includes a few new entities and new roles for existing entities that are involved with the operations of the CGIAR Fund:

- **Fund Council:** The decision-making body of the CGIAR Fund acting on behalf of the Fund Donors.
- **Funders Forum:** A forum of all donors contributing above a threshold amount through the Fund or bilaterally to support implementation of the Strategic Results Framework, countries hosting the headquarters of CGIAR Centers and stakeholder representatives invited by the Chair of the Funders Forum in consultation with donor members.
- **Fund Office:** The support unit of the Funders Forum and the Fund Council located in the World Bank.
- **Trustee:** The World Bank, in agreement with Fund Donors, maintaining the CGIAR Trust Fund and disbursing funds to the Consortium.
- **Independent Science and Partnership Council (ISPC)**¹ The science-advisory organ of the CGIAR, whose primary responsibility is to enhance and promote the quality, relevance and impact of science and science partnerships in the CGIAR.

¹ The terms-of-reference and membership of ISPC will be defined following a study being commissioned by the Transition Management Team.

337 ISPC advises the Fund Council and the Funders Forum and informs the
338 Consortium on scientific issues.

- 339 • **Consortium:** A legal entity established by the CGIAR Centers that is responsible
340 for implementing each performance agreement with the Fund Council and
341 receives funds under that agreement.
- 342 • **Centers:** International agricultural research centers of the Consortium that
343 implement the CGIAR’s program portfolio. Centers receive funding both from the
344 CGIAR Fund (through the Consortium) and may also receive funding bilaterally
345 from donors in support of the agreed strategic results framework and mega-
346 programs that derive from it. It is not envisaged that Centers would engage in
347 activities outside the strategic results framework and mega-programs.

348
349 Annex Figures 1 and 2 illustrate the relationships among these entities in terms of
350 agreements and flows of funding and information.

351

352 **3. Funders Forum**

353

354 *Objectives and Functions*

355

356 The Funders Forum is responsible for approving the Strategic Results Framework
357 proposed by the Consortium every six years. The Forum provides a platform for
358 discussion and exchange of views about the CGIAR and is open to all CGIAR Funders
359 above a threshold level of annual contribution. The Funders Forum meets every two years
360 to review the implementation of the Framework through reports from the Consortium and
361 the Fund Council. Mid-term reviews of the Strategic Results Framework (conducted after
362 the first three years of implementation) would also be considered by the Fund Forum,
363 along with any recommendations to amend the Strategic Results Framework.

364

365 In addition, the Forum reviews shortfalls or imbalances in resources available for mega-
366 programs--so that individual donors could consider adjusting their allocations. It also
367 agrees on a shared approach to cost recovery for services provided to all donors.

368

369 *Membership*

370

371 All countries and organizations that are Fund Donors or countries hosting the
372 headquarters of a CGIAR Center are members of the Funders Forum. In addition,
373 membership in the Funders Forum is open to all bilateral donors making a minimum
374 financial contribution of [US\$ 500,000 in the prior calendar year] to support
375 implementation of the Strategic Results Framework.

376

377 The Chair of the Funders Forum will identify and invite representatives of CGIAR
378 stakeholders (such as representatives of the Consortium, Centers, ISPC, global and
379 regional forums on agricultural research) to participate in the discussions of the Forum, in
380 consultation with donor members.

381

382 *Chair*

383

384 The inaugural meeting of the Funders Forum will be chaired by a vice-president of the
385 World Bank. The Fund Council will propose options for chairmanship of subsequent
386 meetings for discussion and decision at the inaugural Forum.

387

388 The Chair provides leadership to the deliberations of the Forum, interacts with the Fund
389 Council, the Consortium and Funder Forum members, and provides guidance to the Fund
390 Office on Forum matters, such as the follow-up of Forum decisions on the Strategic and
391 Results Framework.

392

393 *Meetings*

394

395 Funders Forum will be convened every two years, synchronized with the biennial
396 meeting of GCARD in such a way as to ensure feed in of GCARD recommendations to
397 the Funders Forum. In addition, in the off-years Funders Forum members would be
398 invited to have dialogue with the Consortium in an event that is closely linked with a
399 meeting of the Fund Council, according to a format agreed by the Consortium and the
400 Fund Council.

401

402 *Accountability*

403

404 As a platform for dialogue and discussion among donors, with the participation of some
405 stakeholders, the accountabilities of the Funders Forum are as follows:

406

- 407 • *To individual CGIAR donors* for providing an effective and efficient platform
408 for discussion and decision-making on the Strategic Results Framework. All
409 members would be provided timely and accurate information about the
410 implementation of the Strategic Results Framework. The Forum would use an
411 approval and assessment process (of the SRF) agreed by the membership
412
- 413 • *To the Consortium* for making every effort possible, collectively and
414 individually, to provide sustained and predictable funding for the approved
415 strategic results framework. The Forum would urge individual donors to
416 adjust their funding decisions based on the overall funding picture for the
417 SRF.
- 418
- 419 • *To the development assistance community and the CGIAR's partners and*
420 *beneficiaries* for its decisions on the Strategic Results Framework and the
421 (implied) development outcomes supported by the members of the Forum.
422 Achievement of planned development outcomes is assessed through program
423 monitoring and evaluation, while impacts are assessed through impact studies.
424 Stakeholder participation in the Forum strengthens the voice of the partners
425 and beneficiaries in the decisions on CGIAR's Strategic Results Framework.

426

427 *Support and Advice*

428

429 Support to the Funders Forum and its Chair is provided by the Fund Office; advice is
430 provided by the ISPC.

431

432 **4. Fund Council**

433

434 *Objectives and Functions*

435

436 The Fund Council is the Fund's decision-making body. As such, it carries fiduciary
437 responsibility for the decisions it makes on the use of Fund resources. It has the following
438 specific responsibilities²:

439

- 440 1. Setting criteria, standards, formats and processes for funding mega-
441 program and other proposals from the Consortium.
- 442 2. Appointing the Chair of the Fund Council, selecting the stakeholder
443 representatives for the Fund Council, and proposing arrangements for the
444 Chair of the Funders Forum.
- 445 3. Appointing the Chair and members of the ISPC.
- 446 4. Reaching a results-based program performance agreement with the
447 Consortium on each mega-program, in view of advice from the ISPC on
448 mega-program proposals received and subsequent dialogue with the
449 Consortium.³
- 450 5. Allocating unrestricted funds contributed to the Fund.
- 451 6. Reconciling funding requirements and availability for individual Mega-
452 Programs in the program portfolio, in consultation with relevant donors
453 and based on information provided by the Consortium.
- 454 7. Monitoring mega-program implementation based on agreed metrics
455 reported by the Consortium and/or external evaluations and taking
456 corrective action (such as halting Fund allocations or seeking amendment
457 to mega-program performance agreements) if and when necessary.
- 458 8. Commissioning external evaluations of Mega-Programs, of the
459 Consortium, the Fund, and of the CGIAR system as a whole on a regular,
460 rolling basis.
- 461 9. Developing and implementing a resource mobilization strategy for the
462 Fund in close cooperation with the Consortium.
- 463 10. Reporting to Fund Donors on the utilization of their funds, the achieved
464 results, and future funding prospects; informing the Funders Forum on the
465 implementation of the Strategic Results Framework and imbalances in
466 funding mega-programs. Informing the Consortium on future funding
467 prospects.
- 468 11. Providing oversight to the Fund Office and monitoring its performance.

² Annex Table 1 illustrates the new *program cycle* in the CGIAR, including the roles and responsibilities of various actors.

³ The Fund Council and the Consortium may consider having an umbrella agreement defining mutual roles, responsibilities and accountabilities in, funding, implementing, monitoring and evaluation of individual mega-programs. Such an agreement would also cover standard provisions that would apply to all mega-program agreements and would not need to be repeated in each separate mega-program agreement.

469 12. Providing conflict of interest guidance for the Fund, Fund Office and Fund
470 Council.

471

472 ***Fund Allocation Principles and Process***

473

474 Fund allocation is driven by both strategy and priority concerns (as reflected by the
475 identified mega-programs that are part of the strategy and results framework) and
476 resources available for each program. Balancing these requires close cooperation and
477 dialogue between the Fund Council and the Consortium.

478

479 Following analysis and approval of proposals from the Consortium, the Fund Council
480 allocates funds at the mega-program level. Allocations within a mega-program (such as
481 to a sub-program, project or implementing entity) is the responsibility of the Consortium.
482 The decision process for making program allocation decisions is as follows:

483

484 Consortium develops program proposals through a consultative and participatory process
485 involving the partners \implies

486 Consortium makes informal consultations with the ISPC and the Fund Council on the
487 proposals \implies

488 Consortium makes formal proposal to the Fund \implies

489 ISPC and others (as needed) analyze and advise the Fund \implies

490 Fund reviews and makes decision: accepts or rejects proposal. In case of rejection, the
491 Fund clarifies its reasons for rejection. The Consortium reserves the right to submit a
492 modified proposal.

493

494 The program proposal by the Consortium includes a description of all anticipated sources
495 of funding for the program. The specific amount of funding to be provided by the Fund
496 and the expected disbursement schedule would be spelled out in the program
497 performance agreement between the Fund and the Consortium.

498

499 ***Membership***

500

501 Donors contributing a minimum level of [US\$1,000,000] in unrestricted contributions
502 are *eligible to serve* as members of the Fund Council. Donors pledging to provide at least
503 the required minimum level of unrestricted contributions during the second year of
504 operation of the Fund are also be eligible to serve as a member of the Council during the
505 one-year transition. A vice-president of the World Bank will serve as non-voting Chair
506 of the Fund Council.

507

508 As agreed by the CGIAR in its 2008 Annual General Meeting, “The Fund Council will be
509 organized such that it includes donors to the Fund from both the South and the North with
510 some stakeholders. Satisfactory fiduciary arrangements will be agreed between parties.”

511

512 *[CGIAR Members have made several proposals on the size and composition of the Fund*
513 *Council. These are flagged for discussion at the CGIAR Executive Council meeting in*
514 *June, 2009. The following paragraph is a formulation derived from the recommendations*

515 *of the Change Steering Team and was the subject of discussions at the Donor*
516 *Consultation Workshop in April 2009 in London.]*

517
518 “The Council will have 12 members, not counting the Chair. A World Bank
519 representative will serve as a member. Other members will serve on a rotational basis,
520 representing regional constituencies. Each of the following regions will be represented
521 by a single member: Africa; Australia and the Pacific; Central and West Asia and North
522 Africa; East Asia; Latin America and the Caribbean; North America; and South and
523 Southeast Asia. The European region will be represented by 3 members, reflecting both
524 the number of funders and the overall size of the contributions from that region.
525 International financial institutions and foundations which invest in the Fund will be
526 represented by one member, also serving on a rotational basis. If none of the Fund
527 Donors from a constituency are eligible to serve, the Council will operate with fewer than
528 12 members. This membership arrangement is expected to yield roughly equal numbers
529 of donors from developing countries (the South) and industrialized countries (the North.)
530 Multilateral donors do not count as North or South.”

531
532 Representatives of stakeholders⁴ (e.g., Chief Executive Officer of the Consortium, Chair
533 of the Consortium Board, Chair of ISPC, prospective donors to the CGIAR Fund and
534 GFAR and regional forum representatives) could be invited to participate in Council
535 meetings as *active observers*.

536
537 The term of membership in the Council is two calendar years for rotating members. The
538 Council will determine its own internal rules and procedures. The Fund Council has the
539 option to convene Executive Sessions. These will remain open to any Fund Donor
540 meeting the threshold level.

541
542 ***Chair***

543
544 The Fund Council Chair will be nominated by the World Bank President from among the
545 Vice-Presidents of the World Bank, after informal consultation with the Fund Donors.

546
547 The Fund Council Chair leads the conduct of the Fund Council’s business, chairs the
548 Fund Council meetings, represents the CGIAR Fund in external forums and supervises
549 the Fund Office on behalf of the Council.

550
551 ***Executive Secretary***

552
553 The Director of the CGIAR Fund Office serves as the Executive Secretary of the Fund
554 Council. The Executive Secretary assists the Chair in the conduct of Council business
555 and represents the Council in external forums. The Executive Secretary and the Fund
556 Council are supported by the staff of the Fund Office.

⁴ A *stakeholder* is an individual or organization who is affected by the actions of the CGIAR, including especially those involved or interested in agricultural research for development, such as the institutions that partner with CGIAR Centers in the production or delivery of research results.

557

558 ***Meetings***

559

560 The Fund Council meets face-to-face twice a year. Additional meetings can be held as
561 necessary. Meetings are preferably hosted by a Fund Donor or Center, as designated by
562 the Fund Council Chair. The Fund Council may also conduct business electronically
563 between meetings. All meetings of the Fund Council are open to any Fund Donor as
564 active observer.

565

566 ***Decision-making***

567

568 All decisions of the Fund Council will be made by consensus⁵, not by voting. The Chair
569 articulates the consensus view. If consensus cannot be reached the Chair uses executive
570 authority in formulating the decision.

571

572 Whenever a decision must be taken by the Council that cannot be postponed until the
573 subsequent Council meeting, and no special meeting is called, the Chair may seek to have
574 the decision taken on a “no-objection basis.”

575

576 ***Accountabilities of the Fund Council***

577

578 The Fund Council's accountabilities are as follows:

579

- 580 • *To the Fund Donors* for the Council's fund allocation and management
581 decisions. The Council's accountability is reinforced by making its decision
582 processes transparent, through timely and accurate reporting to all Fund
583 Donors, and periodic governance audits of the Fund Council. The Fund
584 Donors can introduce reforms in the operations of the Council in case of less
585 than adequate performance.
- 586 • *To the Consortium* for seeking to provide adequate and predictable funding
587 for agreed mega programs. The Council provides the Consortium a realistic
588 picture of the funding outlook (through the Fund) when mega-program
589 proposals are being developed and work actively (and in cooperation with the
590 Consortium) in mobilizing funding.
- 591 • *To the Trustee of the CGIAR Fund* for allocation decisions that comply with
592 World Bank requirements and Trust Fund Administration and Fund Transfer
593 agreements. The Trustee conducts partnership reviews to assess the CGIAR
594 partnership, including the Fund.
- 595 • *To the development assistance community and the CGIAR's partners and*
596 *beneficiaries* for its funding decisions on mega-programs and the (implied)
597
- 598
- 599

⁵ Consensus implies the closest possible convergence of views among discussants on the subject under discussion.

600 development outcomes supported through the Fund. Development outcomes
601 contributed through Fund Council decisions are assessed through appropriate
602 evaluations. Impact studies will also be commissioned. Stakeholder
603 participation in Council meetings as "active observers" would strengthen the
604 voice of the partners and beneficiaries in the Council's decision making.
605

606 **5. Fund Office**

607 *Objectives and Functions*

608 The CGIAR Fund Office is the support unit of the Funders Forum, Fund Council and the
609 respective Chair. Fiduciary responsibility for the Fund resides with the Fund Council.
610 The Fund Office does not take on a compensating fiduciary role.
611
612

613 The Fund Office has responsibilities in the following four areas:
614

- 615
616 1) *CGIAR Fund*. The Fund Office assists in coordinating the Council's interactions with
617 the *trustee* of the Fund. In addition, the Office *assists the Council* in:
 - 618 a) reconciling funding requirements and availability for mega-programs;
 - 619 b) allocating unrestricted funding and seeking to re-designate targeted funds with the
620 agreement of relevant Fund Donors;
 - 621 c) reporting on Fund operations.
- 622
623 2) *Mega-program Portfolio*. The Fund Office provides *analytical support* to the Fund
624 Council and the Funders Forum primarily in the areas of finance and governance. .
625 This support entails:
 - 626 a) assisting the Council in providing inputs to the Strategic Results Framework
627 prepared under the leadership of the Consortium;
 - 628 b) assisting the Forum in the analysis of the final Strategic Results Framework
629 proposal submitted by the Consortium;
 - 630 c) analyzing financial aspects of mega-program proposals;
 - 631 d) facilitating the development of performance agreements between the Council and
632 the Consortium.
 - 633 e) analyzing the results indicators and other monitoring data provided by the
634 Consortium on the implementation of mega-programs; and
 - 635 f) assisting the Council in the commissioning of external peer reviews of mega-
636 programs.
- 637
638 3) *Resource Mobilization*. The Fund Office *supports the Chair and the Fund Council* in
639 this area, working in partnership with the Consortium and the Centers. Specific
640 functions include:
 - 641 a) maintaining liaison with current and potential Fund Donors;
 - 642 b) developing and implementing targeted resource mobilization activities;
- 643
644 4) *Administrative Support and Communications*.

- 645 a) organizes and backstops the regular meetings of the Funders Forum and the Fund
646 Council
647 b) coordinates the Forum's and the Council's nomination and election processes (such
648 as for ISPC);
649 c) coordinates communications on behalf of the Fund and its Chair (in close
650 coordination with the Consortium and the Centers); and
651 d) maintains the Fund's archives and manages its information service;
652
653 5) Other support within its scope of responsibilities that the Fund Council, Funders
654 Forum and Fund Council Chair may request to carry out their responsibilities.
655

656 ***Director and Staff***

657
658 The Fund Office is led by a Director who also serves as Executive Secretary of the Fund
659 Council and, in that latter capacity, reports to the Fund Council through its Chair. The
660 Director is supported by a team of high-level professional staff with expertise in the areas
661 of responsibility of the Office.
662

663 ***Location and Budget***

664
665 The World Bank hosts the Fund Office and provides administrative services. The
666 operating budget of the Fund Office is subject to approval by the Fund Council and is
667 financed through the CGIAR Fund.
668

669 The Office's work program is not part of the World Bank's portfolio of activities, and the
670 World Bank does not supervise or monitor the Fund Office's activities.
671

672 Oversight and performance monitoring of the Fund Office is provided by the Fund
673 Council.
674

675 **6. Trustee**

676
677 The World Bank will serve as the *trustee* of the CGIAR Fund, under its trust fund
678 policies. The Fund Donors would enter into Trust Fund Administration Agreements with
679 the World Bank with common provisions for all donors.
680

681 The World Bank, as *trustee*, currently envisions a *Limited Fiduciary Arrangement (LFA)*.
682 Under this arrangement the Bank, as trustee, would disburse Fund resources to the
683 Consortium based on specific instructions from the Fund Council and would not be
684 responsible for use of funds nor provide any form of supervision.
685

686 **C. Responsibilities of CGIAR Donors and Centers**

687
688 In accordance with the provisions of the Paris Declaration on Aid Effectiveness, the
689 CGIAR encourages all CGIAR contributions to be aligned to the CGIAR Strategy and
690 Results Framework and harmonized with other donor contributions. The CGIAR Fund is

691 being established in order to facilitate the maximum channeling of funds required to
692 finance the portfolio of programs required to achieve the CGIAR’s strategic objectives.
693 Other donors of Center activities are encouraged to make use of this new financing
694 facility as early as possible.

- 695
696 Centers that receive financing from the Fund through the Consortium should:
- 697 • inform the Consortium and the Fund Office of any non-Fund financing and affirm
698 that the activity being funded constitutes an integral part of the CGIAR’s strategic
699 results framework;
 - 700 • certify that the funding covers the full economic costs of the activity.

701
702 The sharing of this information is necessary because, as part of the CGIAR’s program
703 portfolio is financed through bilateral funding by donors, the Fund Council would not be
704 able to fulfill its responsibility to reconcile funding for each mega-program without
705 information about the amounts and purpose of these bilateral funds.

706
707 Bilateral Donors should refrain from conducting separate reviews of the Mega Programs
708 and individual centers when the standard monitoring and evaluation processes of the
709 Fund and the Consortium satisfy these needs.

710
711

712 **D. Timetable for Fund Development**

713
714 Table 1 provides a summary of expected steps in: (a) finalizing the Fund Framework
715 Document (this paper); (b) establishing the Trust Fund at the World Bank; and (c)
716 establishing the Fund Council, Funders Summit and the Fund Office.

717
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719 **E. Q&A on Fund Operations**

720 **TO BE COMPLETED BASED ON QUESTIONS**
721 **SUGGESTED BY THE ADVISORY GROUP**

722
723

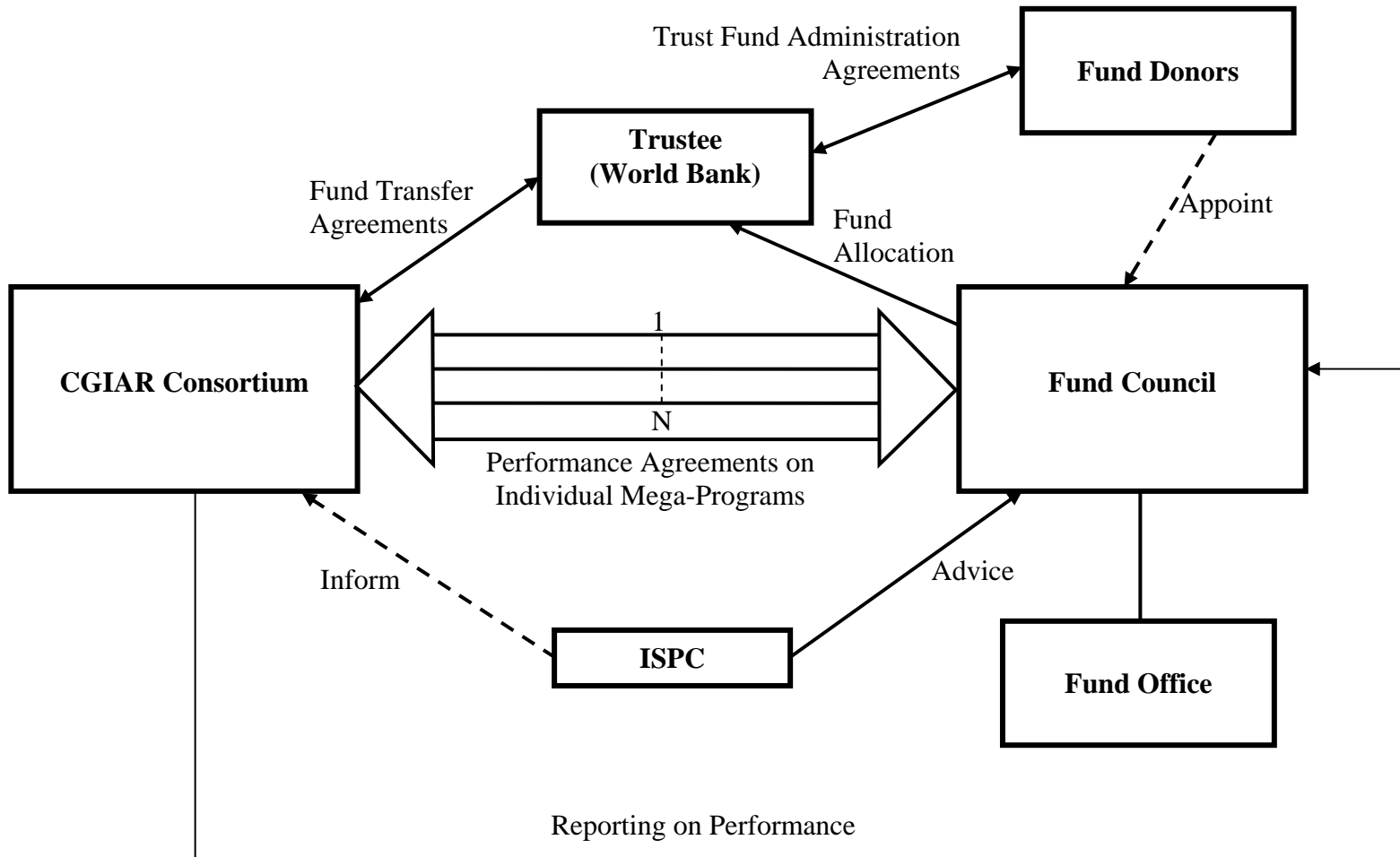
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Table 1. Timetable for Fund Development

	Fund Framework Document (FFD)	Trust Fund Establishment	Fund Council/ Funders Forum/ Fund Office
May 09	- Set up Advisory Group - Revise FFD based on April Donor Consultation	- Internal discussions with the World Bank	
June 09	- ExCo decision on FFD - Revise FFD in consultation with Advisory Group	- Internal discussions with the World Bank - Sample TF agreements sent to donors	
July 09	- Consultations with individual donors about the Fund	- Secretariat to submit TF proposal to World Bank	- Draft Fund Council and Funders Forum rules of procedure
Aug 09	- Consultations with individual donors	-Internal WB review of the proposal	-Draft guidelines for mega-program proposals - Draft mega-program performance agreements
Sep 09	- Consultations with individual donors	- Revised TF proposal submitted to WB	- Review of drafts by Advisory Group (rules of procedure, guidelines, agreements)
Oct 09	- Donor Consultation workshop - Finalize FFD in consultation with Advisory Group	- Internal WB review of the TF proposal	- Preparatory work for Fund Council establishment
Nov 09		- TF established at WB	- Transition arrangements from CGIAR Business Meeting to Fund Council
Dec 09	- FFD approved at CGIAR Business Meeting	- TF agreements signed by donors	- Inaugural Fund Council established; holds its first meeting - Secretariat transformed to Fund Office
2010		- TF is operational	- Inaugural Funders Forum held

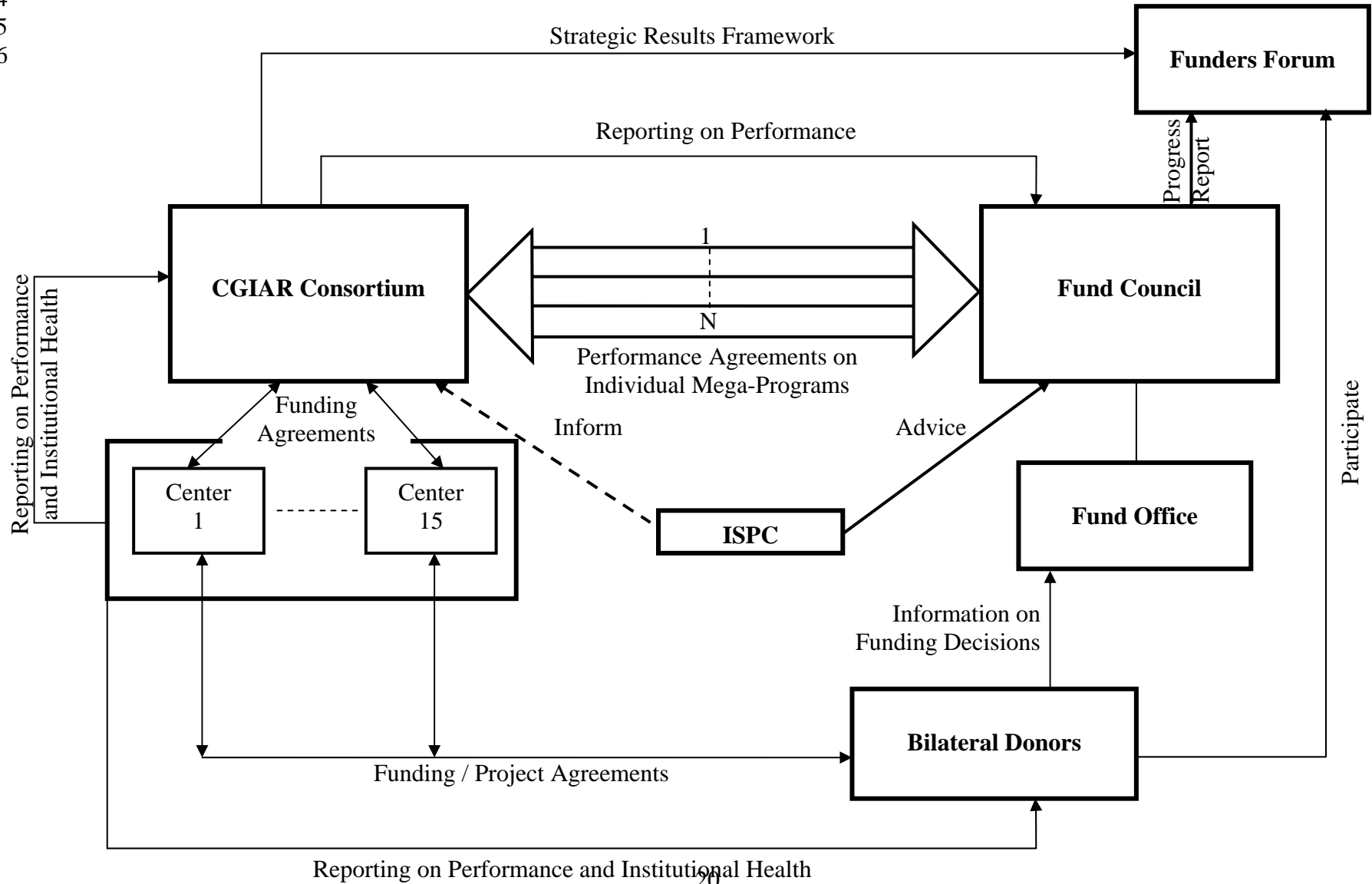
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Figure 1. CGIAR Trust Fund Flow Chart



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Figure 2. Funding and Information Flows – Mega Programs



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Table 2. CGIAR Program Cycle Steps and Roles of Principal Actors

	Consortium	Centers/Partners	Indep. Science and Partnership Council	Funders Forum	Fund Council	Fund Office
Step 1. Develop Strategic Results Framework and Mega-program Portfolio	Lead development	Collaborate in development	Provide advice during development	Approve strategy and results framework	Collaborate in development	Support Forum and Council
Step 2. Develop Individual Mega-Program Proposals	- Develop proposal - Negotiate contract	Collaborate in proposal development	Review proposals and make recommendations to Fund Council	Receive progress reports	- Seek peer review if necessary - Mobilize resources - Decide on each proposal	Support Council in analysis and in reconciling fund requirements and availability
Step 3. Implement Agreed Programs	- Contract with Centers & partners - Coordinate prog. implementation using results-based management	Manage contracted programs and program components	Inform the Consortium and provide advice to the Fund Council as necessary		Receive progress reports	Support Council in reviewing progress reports
Step 4. Monitor Achievement of Agreed targets	- Monitor progress by Centers and partners - Take corrective action (as needed)	Self monitor progress	Provide advice to Consortium and support to the Fund Council	Receive progress reports	- Monitor progress by Consortium (using agreed result indicators) - Take corrective action (as needed) - Inform Donors	Support council in analyzing monitoring data and communication with donors
Step 5. Evaluate Program (every five years)	Peer or self-evaluation as necessary	Peer or self-evaluation as necessary	Provide advice based on evaluations commissioned by Fund Council	Receive progress reports	- Commission external peer reviews - Take follow-up action	Support Council in mounting peer reviews

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