

CGIAR Research Program on Forests, Trees and Agroforestry (FTA)

11th Meeting of the Independent Steering Committee (ISC)

Monday 28 January 2019

Virtual on Bluejeans.com

Meeting minutes approved by the ISC

Participants

ISC members:

Anne-Marie Izac (ISC Chair), Florencia Montagnini, Linda Colette, Richar Muyungi, Robert Nasi, Rene Boot, Stephan Weise, Vincent Gitz

MSU observers preparing minutes:

Alexandre Meybeck, Monika Kiczakajlo

Absent with apologies:

Susan Braatz, unable to attend, being in the field in the Amazon, sent written comments and also had a call with the Chair ahead of the meeting.

Executive Summary

The ISC discussed the proposed Program of Work and Budget (POWB) for FTA in 2019, prepared by the FTA director and the FTA Management Team, who were highly commended for the quality of their work.

The ISC unanimously endorsed the 2019 POWB, including contingency planning, allocations to FTA priorities, flagships and partners, with the request that Bioversity and ICRAF solve a minor contentious issue in FP3 on W1+2 allocations associated with the transfer of a scientist from Bioversity to ICRAF.

The ISC Chair will thus recommend to the Board of Trustees of CIFOR the approval of the 2019 Program of Work and Budget and related contingency planning and allocations.

The ISC made comments on the narrative part of the POWB. Further comments were received by electronic means. It was decided that the Director should produce a revised version and submit it to the ISC Chair for clearance prior to publication in the public domain.

1) Introduction and adoption of the agenda

The agenda is approved.

The Chair opens the meeting and welcomes Richard Muyungi, new independent member of the ISC.

2) Update on the advancement of institutional collaborations between centers

The purpose of this item is to inform ISC of recent institutional developments and consider potential consequences of these changes for FTA.

Stephan Weise gives an up-date on the **Bioversity-CIAT Alliance**. The two boards agreed in November 2018 to move forward. In 2019, they will work on a common research framework and on aligning operative systems. In January 2020, there will be one CEO, head of the Alliance, and one common board, with no separate DGs and no separate boards. On the 4th of March 2019, Ann Tutwiler will be replaced as DG of Bioversity by Juan Lucas Restrepo (Colombia) who will also be the future CEO of the Alliance from January 2020 and will be based in Rome. It will take more time to streamline legal issues.

Stephan stressed that FTA should benefit from this Alliance as there are three key areas that the Alliance wants to particularly strengthen: (i) restoration, which is also a priority of FTA, for which CIAT brings its expertise in soil and water management, (ii) value chains, for which CIAT has developed expertise over many years and (iii) tree genetic resources as a specific area of expertise of Bioversity which will continue to be a priority. These can provide opportunities for CIAT to become more engaged in FTA. It was noted that, during phase 1, it had been difficult to bring CIAT on board in FTA as CIAT is engaged in many CRPs.

Robert Nasi presents the **merger of CIFOR and ICRAF**, resulting also from a decision of the two boards. It has to address the same kind of issues than the alliance between Bioversity and CIAT, with probably the same kind of solutions, but doing things in a different order. CIFOR and ICRAF started with a Task Force making a business case for the merge. Together CIFOR and ICRAF represent USD 110m of commitments annually. There is also the idea of developing activities outside the CGIAR and within the SRF. For FTA there will not be much change, as most of the research of the two centers is already part of FTA. We are already looking at how to better position ourselves for the next generation of CRPs. At this point, CIFOR and ICRAF have not started working on a common research framework since FTA is already fulfilling this role.

In both cases the drivers of the change were not cost reductions, but to improve positioning, to better address research challenges and create a broader, more visible research agenda which influences global discourses and attracts funding. Robert insisted on the importance to keep ongoing agreements and partnerships.

3) POWB 2019

The chair stressed that the objective of this agenda item is for the ISC to agree on recommendations to the CIFOR board on the budget and the narrative of the POWB 2019. She reminded participants, for the benefit of new ISC members, that there are oversight functions that are totally delegated to the ISC by CIFOR Board, like programmatic oversight, for which the board is kept informed. Concerning financial oversight however, CIFOR Board has full fiduciary responsibilities (ISC is not a legal entity). Therefore, ISC makes recommendations to CIFOR Board for all budget issues, for CIFOR Board to formally approve/disapprove.

The discussion on the financial part is introduced by a presentation by Vincent.

The money available in 2019 is constituted by the carry-over of 1m from 2018 and the funds foreseen for 2019. The CGIAR Financial plan (Finplan) for 2019 allocates to FTA an amount of

W1-2 funds which is lower by 0.5m than the 2019 amount (due to the constitution of a reserve fund by the SMO).

Because the Finplan is uncertain, at the request of the ISC, we established a contingency planning mechanism, with 3 Tiers: the 3rd one being uncertain, Tiers 1 and 2 being very likely, Tiers 1 arriving the earliest in the year.

Half of the \$0.5m decrease has been covered by the carry over, half of it by reductions in transversal activities of the Management Support Unit (MSU) and MELIA (Monitoring, Evaluation, Learning, Impact Assessment), in order to protect the research priorities at the level of 2018, close to USD 7m.

Two years ago, the ISC requested FTA to have clear criteria to prioritize its internal allocation of funds. The resulting 22 operational priorities were used in the POWB 2019. For each operational priority a 3-year program was prepared. Each priority program was examined, using agreed criteria, among which actual delivery in 2018, in order to adjust the allocations by priority from what these were in 2018. The allocations were then aggregated in the FPs, according to their contributions to the priorities' workplans. This then resulted in allocations to partners, linked to their contributions to the priorities and the deliverables they are responsible for.

There are some changes for partners from one year to another in a context of a decreasing budget, with CIFOR bearing most of the decrease in 2019 because of the initial decision to maintain funding to the priorities through a transfer of resources from the MSU to the priorities.

The chair finds extremely worrying the fact that year after year funding is decreasing for CRPs and for FTA and that in the CG there seems to be a growing focus on crop productivity research at the expense of natural resources management research. The ISC asked FTA to implement a contingency planning mechanism which is working very well for managing yearly risks of ups and downs. However, contingency planning is not sufficient: ISC needs to reflect on how FTA can best cope with this decline over a number of years. The cumulative effects of these decreases risks to start affecting the intrinsic nature of FTA as a global partnership as well as FTA's capacity to deliver outputs and outcomes.

AMI stresses that the draft 2019 budget is at the same time based on the priorities, on deliverables, taking into account history of delivery, on contingency plans and resulting from an inclusive and transparent process. She congratulates Vincent and the Management Team (MT) for it. She also notes that the decrease in W1-2 funds is mainly supported by the MSU (and CIFOR as a consequence).

The members of the ISC agree with the Chair on the quality of the budget process and results and in commending Vincent and the MT on its preparation.

The following points were also brought forward in the discussion:

- For non-CG partners it is very important to have some certitude on the level of funding. So, the contingency planning is important; and given the current uncertainties, what is in Tiers 3 will very likely not be done in 2019.
- With the budget shrinking there is also concern on the growing discrepancy between the resources and the time needed to plan and monitor their use, and the time allocated to actually produce results. There has been a definite increase of relative transaction costs.
- There is a need to reflect on how to better engage with donors and show the relevance of the work of FTA. In that regard there might be value in grouping the priorities. Efforts could also be made on better communicating.

Stephan Weise raised the case of an FTA-FP3 scientist having moved on 1st January 2019 from Bioversity to ICRAF wanting to continue leading the activities that he has been leading in FTA and the corresponding W1+2 budget, apparently without prior agreement between Bioversity and ICRAF. The Chair stressed that it is the first time that such an issue is brought up in ISC. There are a number of relevant principles bearing on the issue:

1. FTA allocates resources to a center for a scientific team to deliver specific results against one or more priorities, as per all the criteria and principles pertaining to the POWB process already discussed in this meeting.
2. When a researcher moves from one partner of FTA to another, FTA expects that there will be additional benefits from increased cross fertilization among partners.
3. Whilst the FTA Director is fully involved in and leads the search for FTA's Flagship Program Leaders, he is not consulted, nor involved in the recruitment process for senior/principal scientists. This would be an example of inappropriate micro management on the Director's part. In all such cases, it is the responsibility of the two centers concerned to agree among themselves and then with the FTA director about the budget allocation consequences of the move of the scientist. This is indeed the process recently and successfully used in a similar case of a scientist moving from one FTA partner institution to another.

The chair regrets that this issue has not been likewise dealt with by the two centers concerned, ahead of the preparation of the POWB. In order not to delay the POWB approval process, she proposes that the ISC could endorse the budget with the request that Bioversity and ICRAF work with Vincent to resolve the contentious issue.

- The ISC unanimously endorsed the budget, with formal commendation to Vincent and the MT for the quality and clarity of their POWB 2019 process, and with the request that the small contentious issue between ICRAF and Bioversity be solved by these centres with the FTA Director.

Finally, the narrative part of the POWB 2019 was briefly discussed. The chair summarizes her comments on it. The 'visibility' to the reader of the significance and relevance of the work proposed is insufficient. The guidelines of the SMO are to focus on progress towards outcomes, key outputs, not just to describe 2019 activities. She also suggests adding a paragraph in section 1 on expected contributions to the SDGs as per FTA's theory of change to provide an overall frame to the discussion in section 2. The detailed and constructive comments provided by Susan go in the same direction, emphasizing the need to show the coherence of the whole. As there are no other comments, the chair proposes to proceed like last year: Vincent will revise the narrative based on the comments and guidance received, and send it to the chair for clearance. ISC agrees to this.

4) Any other business

The face to face meeting that was projected in May in Montpellier had to be postponed because of the uncertainties linked to the Brexit which directly affect the Chair's ability to travel. There will be another face to face meeting of the ISC in the week of 4-8 November 2019, with the workshop on impact assessment and back to back to an MT meeting. ISC will be informed, as soon as the Brexit situation is clarified, of the timing and nature of next ISC meetings. The chair apologises for this state of affairs.

The meeting was closed at 22:30 Bogor time with the chair thanking all participants for their contributions.