

# CGIAR Research Program on Forests, Trees and Agroforestry (FTA) 15th Meeting of the Independent Steering Committee (ISC)

Monday 26<sup>th</sup> October 2020

Online meeting

## *Meeting minutes approved by the ISC*

### Participants

#### ISC members:

Anne-Marie Izac (ISC Chair), Florencia Montagnini, Linda Collette, Susan Braatz, Richard Muyungi, Robert Nasi, Rene Boot, Stephan Weise, Vincent Gitz.

#### Observer:

Alexandre Meybeck.

### Agenda

1. Information on progress regarding CIFOR-ICRAF merger (Robert) and CIAT-Bioversity Alliance (Stephan)
2. Information on latest developments in OneCGIAR (Robert) and exchange of views on implications
3. Principles and Priorities for the 2021 POWB of FTA (Anne-Marie, Vincent), exchange of views and guidance
4. Synthesis and follow ups to recent FTA Science Conference (Vincent)

## Recommendations of the ISC

### 2020 POWB

In light of:

- the 2020 funding situation (2/3<sup>rd</sup> of W1, or USD 5.0m not received as of 26 October 2020, equivalent of all Tier 3 and 84% of Tier 2),
- and the uncertainties in 2021 funding to CRPs (impact of COVID on donors' budgets, probable early start of big lifts in the CGIAR portfolio, etc..)

the ISC recommends to FTA and all its partners to use a more risk averse strategy concerning Tier 3 than originally planned for the year. All partners are thus invited to prioritize, for the rest of 2020, the finalization of activities in Tier 1 and Tier 2, and not to initiate at this point Tier 3 activities. Those that have already initiated Tier 3 activities can propose to swap these activities with Tier 2 activities as part of the ongoing budget revision.

### 2021 POWB

ISC recommends that FTA use the following overarching principle when preparing its 2021 POWB. To fulfil its responsibilities to donors and prepare itself for the future, FTA should:

- (i) demonstrate the achievements of the program through finalization of key previous activities and their synthesis, and through appropriate impact assessments,
- (ii) show how to effectively connect with end users to increase FTA's sphere of influence (including through programme-level communication), and
- (iii) draw lessons for the future from its 10 years of operations.

A necessary condition to achieve these objectives is that an appropriate amount of resources be allocated to programme coordination (including FPs and partners), and to reporting and communication with donors.

## Detailed minutes of the meeting

The Chair opens the meeting recalling that its main objective is to provide some guidance to FTA for the preparation of the 2021 POWB given high financial uncertainties, higher than in any other year. The minutes of the previous meeting will be circulated along with the minutes of this meeting. ISC members did not propose adding any other business to the agenda, approved as it stood.

### 1) Update on CIFOR-ICRAF merge and on the Alliance Bioversity-CIAT

Robert Nasi presents an up-date on the CIFOR-ICRAF merger. The merger transition plan is being implemented with currently the merging of operational units (including resource mobilization, MELIA, communication) and the preparation of joint policies including for human resources. Everything is going according to plans, with some delays on geographical organization due to covid. There is one single management team. It is for the Common CIFOR-ICRAF Board to decide on final organization, including with GLF and Resilient Landscapes. This will be done at the end of 2021.

Stephan Weise: for the Alliance the process is going along. One Board, One DG, two legal entities/centers, two budgets. Since the first of October 2020 HR policies are aligned. By January 2021 the Alliance should be functioning with one set of processes and units; decentralized with regional hubs providing support functions. There are 6 programs – which are levers for change – 2 of which are engaged with FTA: multifunctional landscapes (including restoration), and biodiversity for food and nutrition (including trees and genetic diversity). Chris Kettle is still the primary link with FTA, with his time evenly distributed between these two programs, bringing also CIAT's expertise.

Chair: is the Alliance going to become a legal entity?

Stephan Weise: the decision has been taken by the board to keep the two legal entities separate; same board, two entities.

Rene Boot: is there a reason for CIFOR-ICRAF to take the decision for final organization only at the end of 2021?

Robert Nasi: this is what was planned. For the time being there are two legal entities. It will be reviewed at the end of 2021.

## 2) Latest developments in the CGIAR and implications for FTA

Robert Nasi: Need to be clear: there is to date not a unified CGIAR institution; there are just board members to be common to centers, and to the SMB that has a new name. And there is still the CGIAR System Organization which is a legal entity recognized by the French government and some 10 other countries as an international organization. What was planned was that the board members of all the centers would step down and be replaced by members of the common board. Three centers said they would not agree to do so (CIFOR, ICRAF, ICRISAT). Some centers said they would but have not fully aligned their board. This is still on going, at various stages depending on centers. There is not yet a common governance and there has not been an announcement on the matter. We agreed to wait for the SMO to communicate on the oneCGIAR, before communicating ourselves.

Chair: what are the financial risks for FTA?

Robert Nasi: there should not be any financial implication for 2021 as nothing has changed in terms of legal dispositions. CIFOR-ICRAF has not withdrawn from the CGIAR and to exclude a center from the CGIAR there are strict criteria and there is a strict procedure to be followed including 6 months for the center to provide comments and the final decision would require 2/3rd of the votes from centers according to article 4.5 of the [Charter of the CGIAR](#).

Stephan Weise: the board of the Alliance has agreed and changed its board composition. in the Alliance Board, there are 8 members coming from the central one CGIAR board, 4 that are specific to the Alliance, plus one ex-officio for each center. The draft strategy for the One CGIAR has been circulated a week ago. Would the ISC want to comment on it? There are pending questions on the relations between CIFOR-ICRAF and the CGIAR, including on FTA. There could be a letter from ISC to the EMT requiring confirmation of support for 2021.

Rene Boot has received a note from the Dutch ministry of foreign affairs expressing their concern, stating that it should not have consequences on funding to FTA but that it might have because the Netherlands is supporting One CG. The ministry would also like to link with the CIFOR-ICRAF Board.

Robert Nasi explained that CIFOR-ICRAF leadership met three times with representatives of the Dutch government. It is clear that the CIFOR and ICRAF common board will not step down to be replaced by the common board of the CG.

Stephan Weise: Germany has just sent a message saying that they will not support new bilateral projects any longer.

Richard Muyungi: there will be a transition in terms of finances. How will the resources be managed?

Robert Nasi: for instance BMZ is saying that there will be groups of donors financing projects with W1-W2.

Vincent Gitz: There are to date no changes for the legal setting of FTA: there is a financial framework agreement between the CGIAR System Organization and the Lead Center of FTA, that allows transfers from the CGIAR Trust Fund to the lead center and this agreement holds until one year after the end of the program. The only change happened three years ago when it was decided to shorten all CRPs by one year. Decisions for CRP funding remain annual: eligibility for funding is decided by the system council, W1 amount to FTA is decided by the System council and W2 amount by individual W2 donors.

### **3) Principles to prioritize expenditures for FTA in 2021 under funding shortfall scenarios**

Vincent Gitz introduces the topic, summarizing the document shared ahead of the meeting. For 2020, FTA has received all W2, not received yet most of W1, this represent 85% of Tier 2 missing and all Tier 3. At the beginning of 2020 the decision was made by FTA MT to initiate work under all Tiers in order to make progress on the delivery of the whole program, since 2021 was the last year of operations. Given all the uncertainties on the level of resources for 2021 we now propose to recommend to partners to refrain engaging Tier 3 activities if they have not started these activities yet.

The official 2021 finplan is not known to date, as it is to be decided by the CGIAR System Council (SC) at its 4-5 December 2020 meeting. The multi-year CGIAR finplan (business plan 2019-2021) published in 2019, shows for FTA an indicative 2021 finplan of USD 10.7m, of which 8.1m of W1, and 2.6m of W2. W1 funding to CRPs is decided by the CGIAR SC annually, and this year there is an additional range of uncertainties (e.g., COVID, implications of on-going reform). 2021 is the last year of the program, and last of FTA's 3 years workplans. In order to be ready for any scenario including those with sever funding shortfall, we propose a categorization of functions and activities with a prioritization of expenditures. These groups of functions are designed to orient 2021 plan of work and budget decisions as they also fulfil the objective of closing the program in a fully accountable manner to donors and partners, in accordance with the Financial Framework Agreement which has legal standing:

- 1) Finishing to produce the 2020 deliverables still pending and already financed in 2020.
- 2) Ensuring the continuity of program coordination, synthesis, monitoring of program delivery and reporting until the very end of FTA
- 3) Ensuring continuity of FP and partners coordination until the very end of FTA
- 4) Program level communication
- 5) Impact assessment

6) Demonstrating the achievements of the program through synthesis and finalization of previous activities and bringing results to end users and drawing lessons for the future.

The chair opens the discussion on the categories of activities and hierarchy of expenditures.

Vincent Gitz recalls that the overall purpose is to close the workplans, not to start new activities..

Florencia Montagnini notes that the first categories are about continuity, and impact assessment should be given more priority.

Susan Braatz: the list is logical. #4 and #5 are of the same importance; #6 could be taken in #4 and #5.

Stephan Weise: List of priorities need to be inverted: #6 needs to be kicked up and be the core function. Can be decentralized.

Robert Nasi: agrees with Stephan that #6 is the overarching objective, that needs coordination and communication to be achieved. Another priority is hard commitments to donors. Sends the following link: <https://www.cgiar.org/funders/trust-fund/financing-plan/>

Linda Collette: trees (FTA) do not seem to be prominent in the One CGIAR agenda. Need to put emphasis on #6. Agrees with Robert. We are at a critical time where we need to be careful that things are not lost.

Richard Muyungi: #6 is the highest priority. It is important to continue communicating to attract more resources. #5 and #3 are also very important.

Chair: #6 is the most important, and it needs to include impact assessment, coordination of the program and communication with partners. Would be good also to give some margin of manoeuver. The list of categories could be reworded to make it more manageable.

Rene Boot: totally agree that #6 should be the top activity, the main thing to do, the other items being means that need to be properly calibrated including #3.

Susan Braatz wonders what could be the consequences of not finishing what was planned this year.

Vincent Gitz recall that the POWB was prepared with three tiers of decreasing priority. The activities of Tiers 3 are the ones that can be removed from the plan of work with the least consequences.

Stephan Weise: we have more W2 this year than what was planned; Where was this additional W2 attributed? Where the normal FTA processes implmented in deciding where these funds are used?

Vincent Gitz: yes, this year we received additional W2 funding in May, after the finalization of the POWB. This funding was clearly earmarked by the donor to agroecology and this is also the reason why it was attributed additionally to FTA. The way these additional funds will be used is discussed in the priority on agroecology with the partners involved in the priority and its activities and allocations will come to the MT shortly.

Chair: we need a new statement on what is the 'top priority' to implement, group 6, and on how the other 'categories' above are in fact necessary conditions to do it.

**The new statement was unanimously agreed by the ISC members, after the meeting, based on a text proposed by the ISC Chair (see ISC recommendation on 2021 POWB on page 1 of this document)**

**Chair: The other issue is tier 3 of the 2020 POWB;** the proposal is to freeze the implementation of tiers 3 of 2020.

Vincent Gitz: we have not yet the full picture of what has been initiated. But the proposal is to finish tiers 1 and 2 before initiating tier 3.

Stephan Weise: the general principle is OK but we need to be flexible if tier 3 is more advanced in some cases.

Vincent Gitz: We can give this flexibility to FPs and partners, and in fact we have already given this flexibility in our covid-revisions. In the end the financial risk is borne by the centers. The point of this discussion is that there is an incidence on the budget of next year if there are activities started in 2020 that will need to be financed with 2021 resources. In any case a final decision on the closure of the 2020 POWB and how to deal with any 2020 funding shortfall, will need to be taken alongside the decision on 2021 POWB.

Susan Braatz: we need to be risk adverse and make it clear as a group.

Chair: The ISC recommends to behave in a more risk adverse way on tiers 3 than originally foresee given 2020 and 2021 funding uncertainties, while taking into account the need to give the appropriate margin of appreciation to partners

Robert Nasi: it is well noted but decisions on financial risks are taken by the centers.

The actual wording of this second recommendation from ISC to FTA was also amended and circulated by the Chair to all ISC members who approved the new wording. This new wording is on page 1 of these minutes, along with the other recommendation.

#### **4) Synthesis and follow up of the science conference**

Given the limited amount of time remaining the Chair invites short synthetic comments.

Robert Nasi: the science conference was excellent. I have enjoyed it a lot. And I have not heard anyone saying the contrary.

Rene Boot: everybody in Tropenbos was enthusiastic about it.

Linda Collette: Enjoyed it very much, the “dragons” were also a good experience.

Richard Muyungi: Really good in terms of contents and need to build on it and take it further.

Chair: I was really impressed by the range and breadth of topics. But this can become a weakness if appropriate syntheses are not developed and widely disseminated. The Chair thanked all participants for their very constructive proposals resulting in good guidance for FTA.