

**RESOLUTION OF THE PROGRAMME STEERING COMMITTEE  
OF THE GENERATION CHALLENGE PROGRAMME  
REGARDING DEFERENCE BY THE COMMITTEE  
TO CERTAIN GOVERNANCE DECISIONS**

**OF AN EXECUTIVE BOARD**

**Adopted in Beijing, China**

**9 December 2007**

Having received the report and recommendation of the Governance Task Force of the Generation Challenge Programme regarding the Programme Steering Committee of the Generation Challenge Programme,

THE PROGRAMME STEERING COMMITTEE OF THE GENERATION CHALLENGE PROGRAMME DOES HEREBY RESOLVE AS FOLLOWS:

It is hereby resolved:

1. That an Executive Board of the Generation Challenge Programme ("GCP") shall be created, which shall assume an active role in the governance of the Generation Challenge Programme. The PSC shall have the right at any time to express its views, opinions, and recommendations to the Executive Board. The Executive Board shall take such views, opinions, and recommendations into consideration, but shall not be bound to accept them.
2. That the Executive Board shall be composed of individuals who are not presently and have not for the last five years been employees of or otherwise compensated by any consortium member. At least one member shall be selected from each of the following professional fields: science, finance, and corporate governance.
3. That the Executive Board shall consist of seven members.
4. That a Chairperson of the Executive Board shall be chosen from among the Executive Board Members by the Chair of the PSC. The Chairperson of the Executive Board shall convene and preside at the meetings of the Executive Board, including but not limited to the handling of proxies, determination of the existence of a quorum, and recording of votes on matters considered by the Executive Board. The Chairperson shall also be responsible for ensuring that appropriate communication takes place between the Executive Board and the PSC, and between the Executive Board and the GCP Management Team.
5. That Executive Board members shall be chosen on the basis of nominations from the PSC, the GCP Management Team, the CGIAR Science Council, the CGIAR ExCo, and GFAR. in accordance with terms of reference to be prepared by the Chair of the PSC and the GCP management team.
6. That members of the Executive Board shall be selected by majority vote by a Selection Committee of the Consortium Members. The Selection Committee shall consist of five persons, who shall be representatives of the following classes of Consortium Members: CGIAR institutes (one Committee Member); Advanced Research Institutes (one Committee Member); National Agricultural Research ("NAR") institutes (one Committee Member); the Host Center of the GCP (one Committee Member). In addition, there shall be one Committee Member who shall be a representative of the CSO/NGO and farmer organizations from the South. Although members of the Executive Board shall be selected by Consortium Members' representatives on the Selection Committee, the members of the Executive Board shall not be deemed to represent any particular Consortium Member or class of Consortium Members.

Instead, each member of the Executive Board shall exercise his or her independent judgment and shall seek to advance the humanitarian interests of resource-poor persons in developing countries.

7. The Selection Committee members (or a proxy by whom they are represented) shall serve on the Committee for three-year terms. Upon the occurrence of a vacancy or expiration in the term of a Committee member, PSC members from the class of consortium members represented by the person being replaced shall choose a replacement.

8. That in advance of each Executive Board meeting, each Executive Board member shall disclose to the other Executive Board members a direct or indirect personal interest, or any conflict of interest, of the Executive Board member in regard to any material matter before the Executive Board.

9. That the Executive Board shall meet at least once per year in person. and shall conduct at least one other meeting per year, which may be held in person or by teleconference or videoconference. Each Executive Board member shall be given advance, reasonable and written notice of Executive Board meetings. Four (4) members of the Executive Board shall constitute a quorum for the transaction of business at regular meetings of the Executive Board.

10. That matters before the Executive Board shall be decided by a simple majority vote. In the event of a tie, the Chairperson shall have the right of a second or casting vote. Votes may be held in any duly-conducted meeting of the Executive Board in which a quorum is present or may be cast in a writing signed by all Executive Board members then in office.

11. That the Executive Board's decisions shall be recorded in official minutes, which shall be distributed promptly to all GCP consortium members.

12. That the Executive Board shall have competence to decide matters relating to the following subject matter:

- (i) determining the strategic direction of the GCP and setting overall goals for the Challenge Programme;
- (ii) establishing performance criteria to determine the progress of GCP activities, monitoring the implementation of those criteria, and judging whether those criteria have been met;
- (iii) approving audits, annual operating plans, medium-term plans, and budgets. This shall include the receipt of financial audits of the GCP from the Host Agent's finance director and external auditor;
- (iv) ensuring the integrity of the GCP's accounting and financial reporting systems;
- (v) establishing a policy for managing risks and monitoring the implementation of that policy;
- (vi) monitoring and managing potential conflicts of interests of members of the Executive Board and staff of the GCP Directorate;
- (vii) overseeing the activities of, and providing guidance and advisory support and expertise to, the GCP Director and staff of the GCP directorate;
- (viii) making recommendations to Consortium Members and Supporting Participants regarding the commercialization of Challenge Programme IP under Clause 26 of the GCP Consortium Agreement and any similar provision of any agreement for the conduct of GCP activities by a Supporting Participant; and
- (ix) making recommendations to the PSC members and/or the Consortium members.

In making such decisions, the Executive Board may consult with external expert advisors as it deems necessary.

13. That the Executive Board shall have no authority to vote on or decide matters which would purport to impose on Consortium Members a financial or program commitment exceeding that contained in the Consortium Agreement or in another contract relating to the GCP to which the Consortium Member and the Host Center are parties.

14. That the PSC shall accept all decisions of the Executive Board on matters within its competence as set forth on paragraphs 12(i)-(vii) above unless, within thirty days after an Executive Board decision has been announced in writing to the PSC, all PSC members vote unanimously by facsimile ballot to override a decision of the Executive Board. Any PSC member who wishes to call for such a vote may do so by promptly contacting the GCP Chairperson, who shall be assisted in carrying out the vote by the GCP Director and his staff. Recommendations made by the Executive Board under paragraphs 12(viii)-(ix) above shall not be binding on the recipient.

15. That the GCP shall pay the reasonable expenses incurred by Executive Board members in attending meetings of the Executive Board. In addition, a modest honorarium may be paid from GCP funds to members of the Executive Board for the time they spend on GCP matters.

16. That each Executive Board member shall serve for an initial term of three years and may be reappointed upon the expiration of his or her term. In the event that an Executive Board member ceases to be a member of the Executive Board prior to the expiration of his term, the PSC shall appoint a replacement member to the unexpired term.

17. That Executive Board members may be removed only for gross negligence or intentional misconduct, and only upon a majority vote of the PSC.

18. That no Executive Board member shall be liable to any Consortium Member for acts or omissions committed in the course of service as an Executive Board member, except in the cases of gross negligence or intentional misconduct. To the extent that it is reasonably available, the GCP shall purchase errors and omissions liability insurance applicable to the Executive Board members' activities as members of the Executive Board.

19. That any confidential information gained by an Executive Board member in his or her capacity as a PSC member, and any discussions that take place within the context of an Executive Board meeting, are to be kept in confidence.

20. That the Host Center shall have the right to have two representatives present as observers in meetings of the Executive Board. Such representatives of the Host Agent shall not have voting rights in the Executive Board. The Host Agent's representatives may be excluded from meetings of the Executive Board only in the narrow circumstances in which the Executive Board directly evaluates the performance of the Host Agent in its capacity as Host Agent or in its capacity as a principal investigating institution. The PSC shall have the right to have an observer participate in Executive Board meetings. At least one representative of the Executive Board shall participate as an observer in meetings of the PSC.

21. That any decision to modify or eliminate the governance structure established by this resolution shall be communicated to the GCP's major donors and to the CGIAR Secretariat no less than 60 days before that decision takes effect.

22. That the Chair of the PSC shall immediately after this meeting (i) confer with the GCP management team to prepare terms of reference in accordance with paragraph 5; (ii) organize a Selection

Committee as provided in paragraph 6; and (iii) take all other steps reasonably necessary to ensure that a functional Executive Board is in place by May 30, 2008.