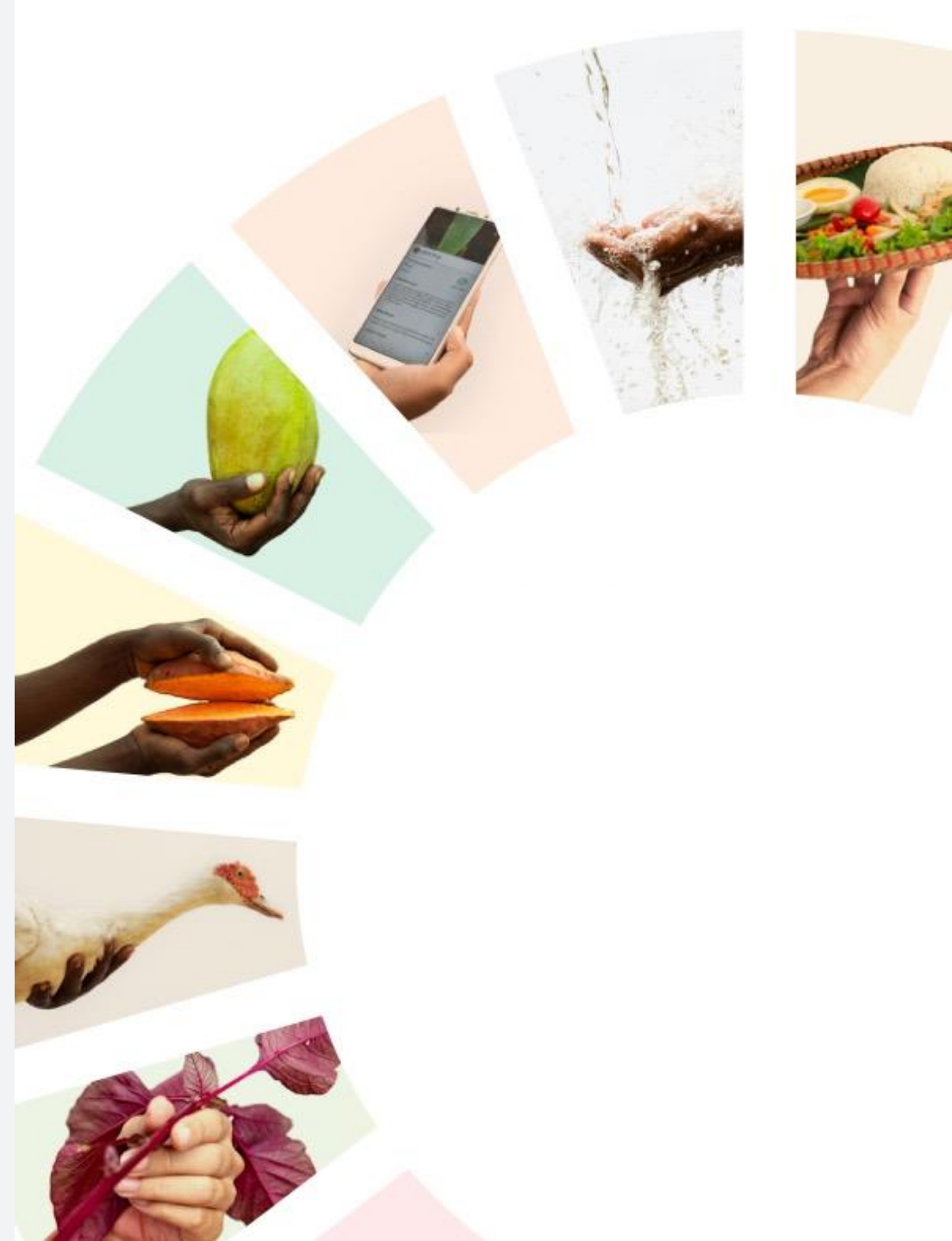


Report from the Assurance Oversight Committee (AOC)

Presented by: Muriel Uzan (AOC Chair)

Supporting documentation: SC22-14 AOC report; SC22-14 Annex AOC revised TOR



Recap of AOC roles and responsibilities based on current TORs

The AOC provides four key areas of system-wide oversight assurances to the SC:

Internal Audit Oversight

Assurance that internal audit arrangements are fit for purpose and appropriately supported and funded

Risk Management Framework Oversight

Assurance that the risk framework is adequate, fit for purpose, and appropriately supported and funded

Governance and Internal Controls Oversight

Advice regarding CGIAR policies related to System-wide governance and risk management

External Audit Oversight

Assurance of the independence and quality of external audit functions and provision of a structured reporting line to the SC on issues with potential system-wide impacts

Additional responsibilities undertaken in 2025

The System Council requested additional tasks of the AOC in 2024-2025, including to:

- Consult with the Integrated, Coordinated, and remain Independent (ICI) Committee on the proposed **Risk and Oversight Plan** to ensure that a reasonable level of assurance will be achieved with the roles and responsibilities defined for Risk Management and Internal Controls, Internal Audit, External Audit and Ethics & Business Conduct.
- Provide advice regarding the proposed changes to the **Charter of the CGIAR System Organization** and the **CGIAR System Framework**.
- Oversee investigations and other matters where the IPB-AFRC was conflicted, including as outlined in the **System Council Action Plan**.

AOC key messages for Dec 2024 – May 2025

- Ongoing efforts to implement the ROP are appreciated. **AOC urges timely action on the workplan** while adhering to the Integrated Partnership principles.
- The ICI Committee and other stakeholders have invested significant time and effort on the ethics policies, escalation framework, and function TORs to-ensure that ethics matters are approached in the spirit of partnership and escalated appropriately.
- Continued progress in risk management. Internal audit continues to face challenges, including a lack of staff resources.
- The collaboration of the IPB-AFRC, Office of Ethics and Business Conduct, and System Council to resolve the SC Action Plan is appreciated.
- Upcoming focus to resolve gaps in the CGIAR Charter and Framework.

AOC oversight of the System Council Action Plan

- In September, SC voting members agreed that the AOC should investigate and oversee (where applicable) the allegations made against CGIAR and report back to the SC voting members.
- To date, 11 of the 12 SC Action Plan matters have been closed and recommendations provided to SC.
- The remaining item – the review of governance officials' remuneration – is expected to be submitted to SC by mid-July 2025.
- In 2024-2025 the AOC has overseen two additional matters due to conflict of interest at the IPB-AFRC. One has been closed and the other is in process. Regular updates have been provided.

AOC advice on System-wide governance

- AOC provided substantive comments on the terms of reference for the Integrated Partnership functions, which were largely taken up.
- On the Escalation Framework, the AOC provided material comments that were not taken up and resulted in the IPB pausing finalization of the document. AOC's comments have been mostly addressed in the revised framework circulated on 20 May 2025. However, AOC advises that the IP EBC Executive must have unrestricted access to information on all EBC complaints and case-tracking systems across the CGIAR and is actively discussing this amendment with the ICI Committee. **Subject to the inclusion of this provision, AOC recommends that – once submitted – the Escalation Framework be approved.**
- Significant progress has been made in revising the four ethics policies. Most material recommendations made by the AOC were taken up. The policies are a welcome improvement but there are now some inconsistencies with the Escalation Framework. **AOC recommends that the SC approve the ethics policies, on the condition that they are reviewed for consistency once the escalation framework is approved.**

Assurance functions related to internal and external audit

Updates during Dec 2024 – May 2025

- In February and May, the Acting Chief Audit Executive provided an update to the AOC on the delivery of 2024 and 2025 internal audit plans and status of outstanding management actions.
- There has been a significant delay in finalizing the 2024 Annual Plan and many management actions have been outstanding for 12+ months.
- AOC has concerns about the multiple vacant internal audit positions and use of consultant support for audit activities across CGIAR. AOC hopes that the implementation of the Integrated Partnership Internal Audit Function will help to resolve these issues.

Oversight of System-wide risk management

Updates during Dec 2024 – May 2025

- AOC engages with the risk management unit to **review strategic-level risk exposures**. Reports were received in February and May 2025.
- Significant progress has been made to identify, manage, and report on risks through a standardized single process across CGIAR. Further work remains on agreeing specific timelines and detailed actions to address identified risks.
- The Risk Appetite is an important tool for both mitigating and taking calculated risks. The **AOC recommends approval of the Risk Appetite** and supports the IPB-AFRC recommendation that the Risk Appetite be owned by the Global Leadership Team.

AOC priorities for the remainder of 2025

- Oversee matters related to ethics and business conduct, as required.
- Oversee completion of the SC Action Plan
- Provide inputs to the next round of Charter and Framework revisions.
- Provide oversight assurances on the implementation of the ROP and the recommendations relating to the SC Action Plan, as endorsed by the System Council.
- Provide advice on the reasonableness of business plans and budget projections for the System Council's advisory functions, in collaboration with the Strategic Monitoring, Impact and Evaluation Committee.
- Other activities as requested by the System Council.

AOC notes that, while Committee Members are asked to dedicate 8 days/year to the committee (12 days for the Chair) they are contributing significantly more. In 2025 to date, they have held two formal meetings (one in person, one virtual), four meetings with the IPB-AFRC, upwards of 10 ad hoc committee calls, and exchanged more than 1,000 emails.

AOC terms of reference

The AOC has revised its Terms of Reference using a principles-based approach. The System Council is requested to approve these revised Terms of Reference.

Decision request: The System Council approves the revised Terms of Reference for the Assurance Oversight Committee, as issued on 23 May 2025.

AOC membership

Member	Member type	Date appointed	Term expiration
Muriel Uzan (Chair)	Independent member	1 August, 2018	30 June, 2025
Honore Ndoko	Independent member	24 January, 2025	31 January, 2028
Rita O’Sullivan	Independent member	15 February, 2023	30 June, 2027
Sarah Schmidt	SC Member (Germany)	3 November, 2022	30 June, 2026
Renaud Seligmann	SC Member (World Bank)	12 September, 2024	11 September, 2027

Recognizing the fact that the AOC only became fully active in late 2022, the committee would like to request an additional three-year term for Muriel Uzan.

Decision request: Pursuant to the Assurance Oversight Committee (AOC)’s Terms of Reference, the System Council approves the extension of the term of Muriel Uzan as member of the AOC to 30 June 2028, or until a successor is appointed.