

Global Agriculture and Food Security Program (GAFSP)

**Executive Minutes
Steering Committee Meeting**

November 15, 2023

Virtual

GAFSP Steering Committee Co-Chair and GAFSP Private Sector Window Donor Committee Chair

Mr. James Catto

Director, Office of International Development Policy, International Affairs

United States Department of the Treasury

Accepted for the Private Sector Window Donor
Committee

JAMES CATTO

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JAMES CATTO

Co-Chair, GAFSP Steering Committee

Chair, Private Sector Window Donor Committee

DAY 1 – NOVEMBER 15, 2023

WELCOME, INTRODUCTION, AND ADOPTION OF THE AGENDA

1. The Global Agriculture and Food Security Program's (GAFSP) Steering Committee (SC) convened a virtual meeting on November 15, 2023. The objectives of the meeting were to: (i) make key financial decisions including on financing modalities for FAO and CSOs, as well as amended GAFSP CU FY24 budget; (ii) approve the updated GAFSP conflict of interest policy; (iii) update the SC on ongoing strategic GAFSP initiatives (Business Investment Funding Track, Program Evaluation, Producer Organization-led Track, Portfolio Review Recommendations); and (iv) discuss the preparations for the next Steering Committee meeting to Senegal in April 2024, which will include field visits.
2. The SC Chair, Mr. Hong Won Yu, could not chair the virtual meeting due to an illness. The SC Co-Chair and Chair of the GAFSP Private Sector Window Donor Committee, Mr. James Catto, Director, Office of International Development Policy, International Affairs, Department of the Treasury, USA, thus opened the meeting and welcomed all SC Members. Opening remarks were also provided by the GAFSP Program Manager, Mr. El Hadj Adama Toure. He indicated that this meeting serves as a follow-up to the SC meeting held in Rome, Italy on September 19-20, 2023. The virtual meeting is intended to update the SC on the progress made in relation to strategic issues and proposed next steps identified by the September SC Meeting.
3. The draft agenda, circulated in advance of the meeting, was adopted and is provided in Annex 2. The SC Co-Chair extended a special welcome to the new members of the Steering Committee, including Amrane Boumghar (Canada), Jason Singer (United States), Monica Sanchez Fernandez (Spain), and Karen Pillay (Trustee).

DECISION ON FAO INDIRECT SUPPORT COST RECOVERY

4. The GAFSP Coordination Unit (CU) provided a progress update on resolving FAO's Indirect Support Cost (ISC) issue. The presentation summarized FAO's proposal to overcome the issue by applying (effective November 15th) a minimum 7% administrative fee to PO-led and Technical Assistance (TA) projects supervised by FAO, which is inclusive of the ISC charge. Administrative fee requests for TA projects that are higher than the minimum 7% would have to be agreed by the SC on a case-by-case basis. The presentation also included an assessment of the potential financial impacts and next steps. Two decision points were put forward to the SC: (i) Given that FAO has agreed to recover its Indirect Service Cost (ISC) *within* the GAFSP Administrative Fee as opposed to project budgets, does the SC approve that FAO request a *minimum* Administrative Fee of 7% for future TA projects, while the exact amount will be assessed and approved on a case-by-case basis?; and (ii) Given that the ISC will be recovered *within* the GAFSP Administrative Fee as opposed to project budgets, does the SC confirm the budget allocation as proposed by the Technical Advisory Committee (TAC) for the four FAO supervised PO-led projects under the 7th Call for Proposals (i.e. Bangladesh, Guinea, Nepal, Samoa)?
5. In the subsequent discussion, the GAFSP Program Manager and other CU members, as well as FAO representatives provided further clarifications in response to questions raised by SC members. The World Food Programme (WFP), currently the only other TA-providing Supervising Entity (SE), affirmed that its current ISC level fits within the Admin Fee thresholds. Questions raised by SC members concerned the risk of setting precedents and creating spill-over effects to other Supervising Entities (SEs), the SC's decision-making process for approving administrative fee requests from FAO that are higher than the minimum 7%, and a comparison of different service costs and their recovery through GAFSP administrative fees across SEs. The meeting concluded by approving decision points (i) and (ii), with one SC member underscoring the importance of GAFSP clearly disclosing to partners that approval of any FAO TA project with fees exceeding 7% would

be contingent on SC approval. The Co-Chair also noted the continued interest of SC constituencies in reviewing how different service costs are recovered by SEs through GAFSP administrative fees.

CIVIL SOCIETY ORGANIZATION (CSO) FINANCING MODALITIES AND GAFSP CONFLICT OF INTEREST POLICY

6. At the September 2023 Meeting, the SC tasked the CU to examine with the World Bank the possibilities for using GAFSP funds to cover labor costs incurred by CSO members as a result of their engagement with GAFSP during the FY24 transition period and beyond. The CU presented to the virtual SC meeting a proposal prepared by the CU in consultation with the World Bank (Trustee, Legal, Human Resources, Corporate Procurement, and Ethics and Business Conduct) and CSO members to re-define the existing CSO Liaison Officer role within the CU to address the labor cost issue. Under the proposal, a CSO Liaison Officer would be assigned to the CU and work under the general supervision and direction of GAFSP Program Manager. The CSO Liaison Officer would be designated by CSO members to the CU on a consensus basis. The main responsibility of the CSO Liaison Officer would be to support and coordinate GAFSP-related activities undertaken by both the three (3) CSO members on the SC as well as future service providing CSOs contracted by the CU. The SC endorsed the proposal as an interim solution, while underscoring the need to continue to explore options towards a longer-term solution within the existing and potential future policy framework governing World Bank Financial Intermediary Funds (FIFs) in general and the GAFSP in particular. The Co-Chair urged SC members to join the CSO/PO working group to be established by the CU to move swiftly towards longer-term solutions. The Co-Chair also requested that the CU provide the next SC meeting with an update on the CSO/PO working group's discussions including a roadmap and timeline for longer-term solutions.
7. The CU presented the proposed structure, principles, and indicative envelope for the FY24 CSO budget, which is being prepared in coordination with CSO members. The CU and CSO members agreed to finalize the FY24 CSO Budget by November 30, 2023 and subsequently share the budget for review and approval on a no objection basis to the SC.
8. An updated version of the GAFSP Conflict of Interest Policy was shared by the CU with the virtual SC meeting. In line with the conclusions of the September SC Meeting, the updated policy excludes a provision (paragraph 6.6) that stipulates that "COs that wish to be part of the Steering Committee shall not have received funds from GAFSP within the prior year and shall not receive funds during the period of their involvement with GAFSP and for at least one year after the end of their Steering Committee tenure". Meanwhile, the updated policy includes a new Equality Principle that states that "this Policy emphasizes that its principles and procedures apply equally to every GAFSP Person regardless of the voting status of the GAFSP Person on the Steering Committee." The SC formally adopted the revised Conflict of Interest Policy.

AMENDED FY24 GAFSP CU BUDGET

9. The GAFSP Program Manager presented to the virtual SC meeting the amended GAFSP CU budget, which included the estimated costs of the next Steering Committee Meeting in Dakar, Senegal (April 22-25) and the effective indirect cost recovery rate (20.48%) adopted by the World Bank Board (Trustee) for all FIFs in FY24. A representative from the World Bank's Budget, Performance Review & Strategic Planning (BPS) Department provided additional context around the World Bank Board's decision and indirect cost recovery questions related to FIFs hosted by the World Bank. An evaluation presentation prepared by PWC on the reasonableness of the methodology for allocating indirect costs to FIF Secretariats hosted by the World Bank was shared by the CU with SC members prior to the virtual SC meeting.
10. The SC endorsed the CU's proposal to aim to close the funding gap (3.48%) vis-a-vis the effective indirect cost recovery rate for the World Bank through CU budget savings and reassess additional funding needs towards the end of FY24. The SC also agreed that the CU continue to

proceed with planning the next SC meeting and associated field visits in Senegal (April 22-25, 2024). However, the SC requested that in early December the CU share with the SC for review and no objection a more detailed budget and concept note that includes a narrative of how the meeting and visits would highlight GAFSP's work, advance GAFSP stakeholder coordination, and feed into GAFSP's strategic planning.

NEXT STEERING COMMITTEE MEETING

11. The CU provided the SC with an update regarding the preparations and key agenda items for the next SC meeting and associated field visits in Senegal (April 22-25, 2024). Key agenda items highlighted by the CU included (i) GAFSP restructuring package and BIFT package; (ii) 5-year Program evaluation update; (iii) GAFSP strategic directions and priorities; (iv) accreditation criteria for new SEs; (v) and field visits (IFAD, AfDB, IFC projects). In light of UNIDO's application to become a new SE under the GAFSP, the CU and Trustee provided additional clarifications to SC members with respect to the process for accrediting new SEs under GAFSP. The CU underscored that key inputs for the next SC meeting will be prepared by three (3) working groups chaired by the CU, including on the BIFT, Program Evaluations, and the CSO/PO-led track. SC members were asked to designate their representatives on these working groups by November 22, 2023.
12. Additionally, the CU shared updates and next steps on key CU analyses and reports, including the Missing Middle Initiative (MMI) stocktaking report; the Portfolio Review Report; and the forthcoming Cross-Portfolio Evaluation.
13. The SC Co-Chair concluded the meeting and thanked participants and the CU for their contributions to the virtual SC meeting. The SC Co-Chair also invited donors interested in the (co-)chairmanship of either the GAFSP FIF or GAFSP Private Sector Window to submit their expressions of interests soon given that the nomination process must be completed before the start of the next SC meeting. In this context, the SC Co-Chair expressed the United States' interest to assume the Chairmanship of the GAFSP FIF. The UK representative on the SC expressed the UK's tentative interest in assuming the Chairmanship of the GAFSP Private Sector Window, pending the outcome of internal discussions.

Annex 1

List of Meeting Participants (alphabetical order, by stakeholder group)

	Last Name	First Name	Country/Organization
Chairs			
1	Catto	James	Director, International Development Policy, US Treasury, GAFSP Co-Chair and GAFSP Private Sector Window Donor Committee Chair
Donors			
2	Lynn	Fiona	Australia
3	Bahalim	Ammad	Bill and Melinda Gates Foundation (BMGF)
4	Boumghar	Amrane	Canada
5	Brix	Jan	Germany
6	Murai	Hiromitsu	Japan
7	Janszen	Agnes	Netherlands
8	Dypedokk	Kristin	Norway
9	Yanez Minondo	Blanca	Spain
10	Connolly	Christina	United Kingdom
11	Krebber	Iris	United Kingdom
12	Save	Radio	United Kingdom
13	Shaps	Caz	United Kingdom
14	Singer	Jason	United States
Regional Representatives			
15	Keizire	Boaz	Africa
16	Tenkouano	Abdou	Africa
17	Khuong	Ha	Asia
18	Pokharel	Champak	Asia
19	Huerzeler	Benedikt	ECA
20	Acosta	Carlos	LAC
Supervising Entities (SEs)			
21	Katagami	Michiko	ADB
22	Kimura	Shingo	ADB
23	Boahen	Philip	AfDB
24	Basu	Enika	IFAD
25	Labella	Patrizia	FAO
26	Manssouri	Mohamed	FAO

27	Veillerette	Benoist	FAO
28	Canli	Funda	WB
29	Nordlander	Kjell	WB
30	Ramachandran	Venkat	WB
31	Simmons	Sarah	WB
32	Polidori	Giulia	WFP
33	Samkange	Stanlake	WFP
34	Toe	Chris	WFP
Civil Society Organizations (CSOs)			
35	Guerra	Alberta	ActionAid USA
36	Hertzler	Doug	ActionAid USA
37	Kandell	Arianna	ActionAid USA
38	Penunia	Esther	AFA
39	Rostaing Akoha	Sessi	ROPPA
GAFSP Coordination Unit, WB			
40	Toure	Adama, El Hadj	GAFSP Program Manager
41	Van der Celen	Philip	GAFSP Deputy Program Manager
42	Alamzai	Amanullah	Coordination Unit
43	Calixto	Silvana	Coordination Unit
44	Chawani	Thokozani	Coordination Unit
45	Dizon	Felipe	Coordination Unit
46	Magarotto	Cecilia	Coordination Unit
47	Markozashvili	Darina	Coordination Unit
48	Mecagni	Laura	Coordination Unit
49	Mpamba	Aimee	Coordination Unit
50	Murphy-McGreevey	Clare	Coordination Unit
51	Olumeh	Dennis	Coordination Unit
52	Sakhuja	Davinder	Coordination Unit
53	Salman	Diana	Coordination Unit
54	Yang	Shijie	Coordination Unit
GAFSP Private Sector Window Secretariat – IFC			
55	Berman	Daphna	IFC
56	Chaudhary	Bheeshm	IFC
57	Gupta	Shivani	IFC
58	Neelamraju	Kalyan	IFC
59	Maiztegui	Josefina	IFC
GAFSP Trustee /Legal			

60	Pardo	Maria Lourdes	Legal
61	Pillay	Karen	Trustee

Annex 2



AGENDA

GAFSP Steering Committee Meeting

Virtual Session

Wednesday November 15, 2023

** 5.00am Seattle/ 8.00am Washington DC / 12.00pm Abidjan / 1.00pm London / 2.00pm Berlin, Rome / 3.00pm Nairobi / 5.45pm Kathmandu / 6.00pm Dhaka / 8.00pm Manila / 10.00pm Canberra

**The listed time is EDT (GMT -4)

Join Zoom Meeting:

<https://worldbankgroup.zoom.us/j/92472855923?pwd=SnJNejlHeUZsbHdPWtI5WnFIZ2V2dz09>

Meeting ID: 924 7285 5923

Passcode: FeFFRj7w8.

Key Objectives of the Steering Committee (SC) Meeting:

1. Make key financial decisions including on financing modalities for FAO and CSOs, as well as amended GAFSP CU FY24 budget
2. Update the SC on ongoing strategic GAFSP initiatives (BIFT, Program Evaluation, Producer Organization-led Track, Portfolio Review Recommendations) and preparation of the next Steering Committee Meeting

AGENDA

	7:45-8:00	Steering Committee (SC) members connect and test audio and video connections For connection assistance please contact Silvana Calixto: +1 202-253-3050
Opening	8:00-8:10	Welcome and context, adoption of agenda Remarks by GAFSP Program Manager and Steering Committee Co-Chairs <u>Documentation:</u> Draft Agenda
Session 1	8:10-9:00	Decision on FAO Indirect Support Cost Recovery <u>Objective:</u> SC to decide on FAO request for indirect support costs recovery for Technical Assistance (TA) and PO (Producer Organization) Projects <u>Presentation:</u> Indirect Support Costs (ISC) for TA and PO Projects (Presentation by CU) <u>Decision Point:</u> FAO indirect support costs for TA and PO Projects <u>Documentation:</u> Decision Note on FAO indirect support costs

Session 2	9:00-9:45	<p>CSO Financing Modalities and GAFSP Conflict of Interest Policy</p> <p><u>Objective:</u> Update the SC on progress made in addressing the issue of labor cost recovery under a hybrid approach to corporate procurement, finalizing the GAFSP Conflict of Interest Policy, and formulating the FY24 CSO budget</p> <p><u>Presentation:</u> CSO Financing Modalities and GAFSP Conflict of Interest Policy (Presentation by CU)</p> <p><u>Discussion:</u> CSO Financing Modalities and GAFSP Conflict of Interest Policy</p> <p><u>Documentation:</u></p> <ul style="list-style-type: none"> ○ Briefing Note of CSO Liaison Role ○ Updated Conflict of Interest Policy Document
Session 3	9:45-10:30	<p>Amended FY24 GAFSP CU Budget</p> <p><u>Objective:</u> SC to decide on amended GAFSP CU Budget which incorporates the estimated costs of the next Steering Committee Meeting and the indirect cost rate negotiated with the Trustee in FY24.</p> <p><u>Presentation:</u> Amended FY24 GAFSP CU Budget (Presentation by CU)</p> <p><u>Decision Point:</u> Amended FY24 GAFSP CU Budget</p> <p><u>Documentation:</u> Decision Note on Amended FY24 GAFSP CU Budget</p>
Session 4	10:30-10:50	<p>Next Steering Committee Meeting</p> <p><u>Objective:</u> Update the SC on the timing, agenda items, and preparations of the next Steering Committee Meeting</p> <p><u>Presentation:</u> Next Steering Committee Meeting (Presentation by CU)</p> <p><u>Discussion:</u> Next Steering Committee Meeting</p> <p><u>Documentation:</u> Terms of Reference BIFT, Program Evaluation, and CSO/PO Working Groups; MMI Stocktaking Report; Minutes of Joint SE Meeting on Portfolio Review Recommendations</p>
Closing	10:50-11:00	Closing remarks by Steering Committee Co-Chairs