

Interim Panel of Eminent Experts for the Establishment of the Global Crop Diversity Trust

Draft Report of the Seventh Meeting FAO, Canada Room, 27-28 October 2005

The Interim Panel of Eminent Experts for the Establishment of the Global Crop Diversity Trust, held its seventh meeting at FAO headquarters in Rome, from 27 – 28 October 2005.

The following Members of the Panel were present:

Ambassador Fernando Gerbasi (Chair), Director de Relaciones Economicas, Centro de Estudios Estrategicos y Relaciones Internacionales (CEERI)

Lukas Brader, (Vice-Chair) Director-General, International Institute of Tropical Agriculture (retired);

Andrew Bennett, Executive Director, Syngenta Foundation;

Tewolde Berhan Gebre Egziagher, Director General, Environmental Protection Authority, Ethiopia;

Cary Fowler, Executive Secretary of the Global Crop Diversity Trust

Mohammad Roozitalab, Chairman, Global Forum for Agricultural Research and Deputy Director General, Agricultural Research and Education Organization, Islamic Republic of Iran;

Setijati D. Sastrapradja, Senior Scientist, Indonesian Institute of Sciences;

Walter Fust, Ambassador, Director General, Swiss Agency for Development and Cooperation.

Members of the Interim Panel of Eminent Experts, who were unable to attend, sent their regrets:

Ismail Serageldin, Director, Library of Alexandria, Egypt;

Lewis Coleman, President, Gordon and Betty Moore Foundation (retired);

Chebets Maikut, Member of the Executive and Agricultural Research Committees the International Federation of Agricultural Producers and President of the Uganda National Farmers' Federation.

The following attended the meeting:

Emile Frison, Director-General, IPGRI;

Mahmoud Solh, Director, Crop Production and Protection Division, FAO.

The following attended as resource persons:

Anne Clyne, Financial Officer, Global Crop Diversity Trust;

Brigitte Laliberté, Scientist, Global Crop Diversity Trust;

Julian Laird, Director for Development, Global Crop Diversity Trust;

Gerald Moore, Legal advisor, Global Crop Diversity Trust;

Ruth Raymond, Assistant Executive Secretary, Global Crop Diversity Trust ;
Clive Stannard, Secretariat of the Commission on Genetic Resources for Food and Agriculture, FAO;
Jane Toll, Director, Global Partnerships Programme, IPGRI.

The Chair of the Donors' Council, Peter Waddell-Wood, Counselor, Development Cooperation, Australian Delegation to the OECD was invited to attend the meeting as observer.

1. The Chair, Ambassador Fernando Gerbasi opened the meeting and welcomed members and staff.
2. The Agenda for the meeting (attached) was approved, with the addition of a report to be given on the recently concluded first meeting of the Donors' Council by its chair.

The Chair of the Donors' Council, gave a brief report on the outcome of the Council's meeting. He reported that the Council considered the setting of a minimum \$25,000 contribution as a requirement for membership on the Council to be appropriate at this time, and suggested that this figure be kept under review. The Council approved its Rules and Procedures, and elected its officers. The Council agreed on a process for nominating members of the Executive Board. The Council, in response to a call from the IPEE for its advice on the matter, discussed the issue of the status of observers to IPEE meetings. The Council is mindful of the need for the IPEE to conduct its meeting in an efficient and effective manner. It also notes the importance of transparency and openness and in this light recommends that the IPEE view requests positively.

3. Introduction by the Executive Secretary

The Trust's new Executive Secretary, gave a brief presentation focusing on the five prerequisites for the success of the Trust. He underscored the need to develop and articulate a more powerful message for the Trust, the importance of fundraising, the necessity of proper fiscal management (including a conservative approach to Secretariat spending, endowment fund management and the issuance of grants), and the necessity that the Trust steadfastly adhere to its principles to create a rational global system and resist pressures that will almost inevitably arise to deviate from this path. This, he noted, would ultimately be the Trust's greatest challenge. Finally, he stressed the importance of developing partnerships and encouraging involvement in the Trust.

4. Matters Arising from IPEE6.

The Chair noted that the only issue remaining from IPEE6 was the question of "observers." He indicated that the representative of FAO and CGIAR (IPGRI) are not observers but that they represent the two organizations in the IPEE. One member suggested that Donors' Council members wishing to observe IPEE meetings communicate their desire to the Chair of the Council, and that he/she communicate with the Chair of the IPEE to ensure that numbers of observers were kept at an appropriate and manageable level (which would include ascertaining the number of seats in the room). It is understood that Donors' Council members sometimes travel great distances to attend meetings, and attendance, as observers, at the IPEE would further communications and lead to stronger ties, which is desirable. It was noted that

the IPEE can hold closed sessions when needed, though this is generally undesirable for reasons of transparency. The IPEE *concluded* that as a matter of course, a maximum of four observers would be desirable.

5. Establishment Agreement Update

Eighteen countries have formally approved the Establishment Agreement, and discussions are in an advanced stage with several others. The IPEE hopes and expects that additional countries will approve the Establishment Agreement, noting, at the same time that the Trust's formal relationship with the Governing Body of the International Treaty will provide strong international recognition of the Trust and its work.

6. Process for the Appointment of the Executive Board

The IPEE reviewed in detail the document prepared for submission to the Governing Body of the International Treaty. The IPEE considered this item jointly with Item 7. The results of its deliberations are reported under that item.

7. Preparation for the 1st Meeting of the Governing Body of the International Treaty on Plant Genetic Resources for Food and Agriculture, 12-16 June 2006 in Madrid.

The Chair introduced the topic, stressing the importance of planning for the first meeting of the Governing Body. It is hoped that the Trust will be able to conclude a Relationship Agreement with the Governing Body at the latter's first meeting. Additionally, it is important that the Governing Body agree on a process for the appointment of members of the Executive Board of the Trust. The IPEE discussed the latter issue in detail. The IPEE *agreed* that the Chair of the IPEE and the Executive Secretary should be present at the meeting of the Governing Body to encourage and facilitate the discussions about the Agreement and the appointment of members to the Executive Board. The IPEE recommended that the Chair of the Donors' Council also be present at that meeting. The Donors' Council will, by that time, have identified 6-8 persons that it would be willing to nominate, so that consultations - as mandated in the Trust's Constitution - could, in theory, begin in a preliminary fashion on the spot.

The FAO Secretariat informed the IPEE of preparations underway for the first meeting of the Governing Body of the International Treaty and of the current plan and timetable for the meeting itself. The IPEE *urged* the FAO Secretariat to assist in securing a separate agenda item on the Trust at the meeting of the Governing Body, *requested* that this agenda item come early in the Governing Body's deliberations in order to give time for Parties to consult and make progress, and *suggested* that the questions concerning the Trust (the Agreement with the Governing Body and the selection of Executive Board members) be placed on the "agenda" of the Bureau for discussion at the earliest opportunity.

The Trust will have the possibility of having a display and putting on a side-event during the meeting. There will probably be a Ministerial Segment at the meeting that will deal with the Financial Strategy. The FAO representative stated that it would be important for the FAO Secretariat to work with the Trust's Secretariat in the planning of this Segment.

The Trust will operate under the general policy guidance of the Governing Body. The Chair stated that he does not envisage that the Governing Body will adopt specific policies directed to the Trust. The Trust's Secretariat should work with FAO on the

paper that will be put to the Governing Body on the Funding Strategy for the Treaty, which will include the role the Trust will play in this Strategy.

8. Report on meetings of the:

- (a) Inter-governmental Technical Working Group – Plant Genetic Resources
- (b) Contact Group on the Material Transfer Agreement (for the International Treaty)
- (c) Open-ended Working Group on the Funding Strategy (for the International Treaty)

The first of the meetings mentioned occurred at the same time as that of the IPEE, thus no report on its outcome was possible, however, the Executive Secretary did make a well-received presentation to the Group. A member of the Secretariat informed the IPEE on the status of negotiations for an MTA for the International Treaty. Due to rescheduling, the third meeting, mentioned above, on the funding strategy for the International Treaty, will not be held until December, thus no report was available.

9. Technical Support for the Trust

The Executive Secretary thanked FAO and IPGRI for the valuable assistance of their staff who serves on the Technical Advisory Group (TAG) for the Trust.

The Chair of TAG, introduced the agenda item. TAG has been intimately involved in the development of crop and regional strategies. Once Strategies are completed, the Trust will begin accepting proposals to support the long term conservation of identified priority collections. The Chair of the TAG noted the need to identify appropriate independent experts to review proposals, and, after grants are given, to provide expertise in monitoring and evaluating progress.

One member stated that many of the questions raised in the document fell properly in the realm of management decisions in which the IPEE should not be heavily involved. The IPEE *acknowledged* the need of the Trust for professional expertise to evaluate proposals, strategies, etc. The IPEE *noted* that this need might be addressed either through the establishment of a Roster of Experts, or through acquiring this expertise on an ad hoc basis as and when needed. The IPEE *requested* the Secretariat to evaluate these two options in particular and to inform the IPEE of its conclusions at the next meeting. The IPEE *advised* the Secretariat to move forward in the interim in accessing expert advice, as needed.

10. Update on Regional and Crop Strategies

The Secretariat reported that it expects approximately 18 crop strategies to be completed by August 2006. Regional strategies are also underway, and the Secretariat is engaging in substantive on-going dialogue with those involved in the strategies to ensure that the strategies address the full range of relevant issues including the difficult ones and that they yield results that are useful both for regions and networks, as well as for the Trust itself. The IPEE *highlighted* the need for the Strategies to spell out clear and realistic priorities for long-term conservation, otherwise, unrealistic expectations might be raised concerning the ability of the Trust to support all “priorities” and all collections.

11. Fundraising Update and Strategy

The Director of Development reported on increases in pledges and funds received. He described the challenges of fundraising for this particular topic, and detailed the strategy the Trust will pursue to mobilize additional funds. A report was given on the

Trust's work with media, the website and its publications. The Trust's first Annual Report (for calendar year 2004) was published in 2005. The Executive Secretary stressed his desire to align communications and fundraising strategies, in particular at this stage in the Trust's development. Members offered a number of valuable and specific suggestions that the Secretariat will pursue. These concerned how to add impact to the website using dramatic images and text; how to use messaging to emotionally connect to potential donors; ideas for Trust ambassadors and how to make best use of their time.

12. Finance and Investment Management

The IPEE received a report from the Interim Investment and Finance Committee, which met on 26 October. It was noted that the contract template for accepting donations has been amended and forwarded to donors who will have the option of adopting this new contract in respect to their donation. Norway, SDC and Sida have accepted the amendment. The Committee reported in some detail about current arrangements with HSBC. It reported that the Donors' Council had raised questions about the proportion of the endowment fund invested in equities, and about currency risks. However, it was also noted that performance to date has been quite satisfactory, and that the Donors' Council had expressed its appreciation to HSBC for this.

Both the Donors' Council and Committee discussed the question of whether the Trust should have access to independent financial advice. The Committee identified the areas in which it believes the Trust needs such advice, including investment strategy, currency and currency risk, asset allocation, negotiations/relations with fund managers, review of performance of fund managers, and compliance by fund managers with the ethical policies adopted by the Trust. The IPEE *endorsed* the proposal from the Committee that the Trust secure independent financial advice. Switzerland offered to cover the cost of independent financial advice for the next three years.

The IPEE *welcomed* the report of the Committee, and *recommended* that in the future, reports of HSBC be made directly to the IPEE, which does not preclude a presentation also being made to the Donors' Council. If the Donors' Council has recommendations regarding the investment policy, they shall be submitted to the IPEE for its consideration.

The IPEE *recommends* that the Trust establish a policy on in-kind contributions and secondments, and requests the Secretariat to draft such a policy for its consideration.

13. Update on Grant Awards and the Pipeline

The IPEE received the information document prepared by the Secretariat and *noted*, as suggested by the Secretariat, the need that is now arising for a more formal system to monitor compliance with the terms of the grants and to assess impact. No additional funding commitments have been made since the last IPEE meeting and none are being processed at this time.

14. Long-Term Conservation Grants

The IPEE *recognized* the complexity of the many issues that are involved in beginning to make long-term conservation grants and recognized that this topic will be one the IPEE will wish to revisit continually. The IPEE *recommended* that in the future development of the document presented for this agenda item, the Secretariat liaise with the CGIAR Science Council about their priorities and intentions.

15. Budget – 2006

As reported under Item 12, above, the IPEE received and welcomed the report of the Interim Investment and Finance Committee. The Committee believes that the Secretariat's income projections for 2006 are realistic. It believes it important that the Secretariat provides for an appropriate amount, approximately 10%, in the budget as a contingency. The IPEE discussed and *approved* the 2006 budget, with provision made for contingencies, as noted.

In order to ensure transparency it was agreed that in-kind contributions, in particular the number and source of staff secondments, should be included in the budget by way of footnote.

16. Update on the Establishment of an International Seed Depository in Svalbard, Norway

The Executive Secretary updated the IPEE on progress made in establishing an international seed depository at Svalbard. The IPEE considers this a very important and useful initiative. The Norwegian government has asked the Trust's Executive Secretary to continue to be involved in the planning process, perhaps as part of a reference group or steering committee. The IPEE *considers* that it is important that the Executive Secretary continue to be involved and *supports* his association with the initiative through service on such an advisory or steering group, if called upon to do so by Norway.

17. Non-Annex, Article 15 Collections

The Trust's Legal Counsel, noted that the Trust's Constitution states that the Trust shall "endeavour to safeguard collections of unique and valuable plant genetic resources for food and agriculture held ex situ, with priority being given to those that are plant genetic resources included in Annex I to the International Treaty or referred to in Article 15.1(b) of the International Treaty." Bearing in mind that the Trust should be able to respond to crises involving non-Annex I, Article 15.1(b) collections of PGRFA, the IPEE *understands* that the work of the Trust will concentrate on Annex I collections. In part, and at this time, this is due to the availability of crop and regional strategies that will themselves be focused on Annex I crops. It is also the consequence of lack of sufficient funds to broaden the focus at this point. The IPEE *concludes* that funding for non-Annex I, Article 15.1(b) collections, in emergency situations, must be considered on a case-by-case basis.

18. Permanent Headquarters Location

The IPEE *recognizes* the need for the Trust to establish an independent headquarters location. In making a decision as to the location, the IPEE will pay close attention to promoting the efficient and effective operations of the Trust as well as the financial implications. The IPEE *requests* the Secretariat to prepare a draft Tender for consideration at its next meeting. Noting the large amount of work that will be needed to prepare the Tender, the IPEE *suggests* that the Secretariat investigate the possibility of getting the help of a consultant. The IPEE further *suggests* that the Secretariat contact those countries that have already expressed interest in hosting the headquarters to ascertain their interest, inform them of the steps the Trust is beginning to take, and to obtain any information from them that could be useful in preparing a more comprehensive and appropriate tender.

18c Staffing Developments

The Executive Secretary reported that the total number of “staff years” available to the Trust had declined slightly from 2004 to 2005. Looking forward to 2006, Norway will provide an Associate Professional Officer. A second officer has been requested from another country. And, the Trust has entered into a contract to secure the services, on a part-time consultancy basis, with the former interim Executive Secretary. The IPEE *expressed concern* about the staff’s capacity to undertake the large and varied workload before it, but noted that lack of financial resources limits corrective options at this time. It *endorsed* the Secretariat’s efforts to mobilize additional resources, including in-kind donations.

Date and Place of Next Meeting

The date for the next meeting was tentatively set for 27-28 April 2006, in Rome.

Closing:

The Chair thanked the Secretariat for their preparation of the meeting and the members of the IPEE for their attendance and productive work during the meeting. The meeting was then adjourned.