

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

Draft

**Report of the Eighth Meeting
IPGRI, Sakura Room, 27-28 April 2006**

The Interim Panel of Eminent Experts for the Establishment of the Global Crop Diversity Trust, held its eighth meeting at IPGRI headquarters in Maccaresse, Italy, from 27 – 28 April 2006.

The following Members of the Panel were present:

Ambassador Fernando Gerbasi (Chair)
Lukas Brader (Vice-Chair)
Andrew Bennett;
Tewolde Berhan Gebre Egziagher
Cary Fowler
Mohammad Roozitalab
Setijati D. Sastrapradja
Ambassador Walter Fust

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

Lewis Coleman
Chebet Maikut

The following attended the meeting:

Kwesi Atta-Krah (IPGRI)
Brad Fraleigh (FAO)
Peter Waddell-Wood (Chair, Donors' Council)

The following trust staff attended:

Anne Clyne
Brigitte Laliberté
Julian Laird
Sophie Mannhardt
Severin Polreich
Jane Toll
Ola Westengen

I. The Chair, Ambassador Fernando Gerbasi opened the meeting and welcomed members, staff and attending representatives from host organizations and the chair of the Donors' Council. He stated that there were a number of items on the agenda of great importance to the Trust and that would have a profound, and he believed positive, effect on the organization.

II. The Agenda for the meeting (attached) was approved.

1. Update from the Executive Secretary.

The Executive Secretary welcomed everyone and gave a brief presentation on challenges faced by the Trust at this stage of its development. In particular he mentioned three misconceptions the Trust often meets: 1. The Trust is only a funding mechanism for conservation; 2. The Trust will fund all genebanks with budget constraints; 3. Full funding has either already been secured, or if not, that it will be easily and quickly secured. To address these misconceptions there is a need to reinforce the message concerning the role of the Trust; clarify that the Trust also will work on, and fund, more than simple storage of genetic resources – activities such as characterization, regeneration, information systems, and distribution; that the Trust has to focus its funding according to a scientifically based rational global conservation system and to maintain a continuous momentum on fundraising. The Executive Secretary stated that significant progress had been made in major areas, including fundraising (new money received, positive prospects in Europe, and new initiatives in North America), programs (including elaboration of the role of the Trust, and creative mechanisms for grant-giving), and communications (a new website, initiation of Crop Diversity Topics, and a series of letters by the Chair and the Executive Secretary to prospective delegates to the meeting of the Governing Body of the International Treaty). He noted that further information on these would be provided under the relevant agenda item.

2. Preparations 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. The Provisional Agenda of the Governing Body meeting will include an item entitled “The Relationship between the Governing Body and the Global Crop Diversity Trust”. The following matters will be discussed under this item: Approval of the Relationship Agreement between the Governing Body and the Trust; and Appointment of Four Members of the Executive Board. There is also likely to be discussion of the role of the Trust under the agenda item on the Adoption of the Funding Strategy for the Implementation of the Treaty. One question that will be addressed during consideration of the Funding Strategy is whether the Trust should be recognized as “an essential element” of the Funding Strategy, or as “an important supporting component” The term essential element first used to describe the Trust’s role in the funding strategy by the FAO commission in 2002, is contend in the Trust’s Constitution and the Relationship Agreement which has been approved / ratified by 22 countries to date.

The IPEE *agreed* on the importance of retaining the wording “essential element” first used to describe the Trust. The IPEE *welcomed* the Chair’s plan that he and the Executive Secretary meet with FAO Regional Groups during period of 2-5 May 2006 to talk about Trust-related issues that will come before the Treaty’s Governing Body. The Chair and the Executive Secretary will be in Madrid to brief delegates and address those matters during the meeting in June. The IPEE *recommended* that the Secretariat explore possibilities for holding a side event at the meeting of the Governing Body.

The IPEE *authorized* the Chairman of the IPEE to sign the Relationship Agreement with the International Treaty once approved by the Governing Body.

3. Report of the 2nd meeting of the Donors' Council.

The Chair of the Donors Council reported on the Second Meeting of the Donors' Council, held on 26 April 2006. The meeting was held in a congenial and harmonious atmosphere and continued to build on the strong sense of consensus from the first meeting. The Council expressed widespread and strong support for the work of the Secretariat. The major issue discussed was the election of four candidates for the Executive Board. The Chair of the Donors Council explained the voting process: The council agreed to vote by secret ballot, with multiple rounds of voting. Any candidate receiving no votes and any receiving the lowest number of actual votes was eliminated. Each was required to cast their (unweighted) votes for four candidates. A minimum of one developing country representative was to be included among the four chosen candidates.

The Donors' Council quickly agreed upon 4 nominees and two reserve candidates (essentially available if any of the top four were unable to serve on the board). The Chair of the Donors' Council announced the names of the selected candidates and gave a short biographical sketch of each. They are: Margaret Catley-Carlson (Canada), Lew Coleman (U.S.), Jorio Dauster (Brazil), and John Lovett (Australia). The Chair of the Donors Council underlined the importance of retaining the support of those that were not chosen by the Donors' Council in this round.

The IPEE *congratulated* the council with the selection of four high quality candidates, and *commended* the Council on the effective, transparent and participatory method used for selecting the candidates.

4. Report on Communications.

The Director of Development informed on progress in the area of communications. He presented the new Trust website and the new e-bulletin, "Crop Diversity Topics". He outlined the thinking behind both. He stressed the need for the Trust's communications to articulate the imperative of the Trust's mission more clearly and more emotionally.

The Director of Development further reported on significant press coverage during the period associated with the Svalbard Arctic Seed Depository; and the trip to Australia by the Executive Secretary in January 2006.

The IPEE was informed about the rationale behind the monthly letters from the Chair and the Executive Secretary to previous delegates to FAO Treaty negotiations. The intention is to increase transparency, awareness and understanding of the Trust in preparation for addressing Trust-related issues that will come before the Governing Body. The IPEE *agreed* on the importance of these strategic communications.

The IPEE *congratulated* the Secretariat on the new website and expressed their gratitude to the Syngenta Foundation for the funding of the redesign. The IPEE also *expressed support* for the new Crop Diversity Topics and the other communications initiatives undertaken by the organization.

5. Report on Fundraising.

The Director of Development reported on the continuous process of engaging with prospective donors, on maintaining good relations and exploring further support with existing donors and on ensuring pledges are paid. In the period, five new donations have been confirmed. Furthermore, over the last period solicitation of in-kind support and donations has proved an important way for the Trust to supplement its resources and boost its capacity. He updated the IPEE on progress with a number of ongoing negotiations. The Director of Development informed that the Trust has had substantial contact with new major donors and extended his thanks to members of the IPEE for their role as door opener to major funding opportunities.

The IPEE *noted* the importance of maintaining the momentum of the fundraising efforts, and members gave suggestions of sources to explore in the coming months. It was felt that the connection between environmental protection, with biodiversity conservation in particular, and humanitarian development would be further strengthened on the development assistance agenda in the future and that this will create further windows of opportunities for the Trust. However, ODA to agriculture development is still marginalized at the moment and it is important that the Trust position itself clearly within the framework of the MDGs. The Secretariat noted that this connection, which is very strong and concrete, would be highlighted on the website.

6. Location of Headquarters.

The Executive Secretary reported on the Secretariat's contact with the Italian government regarding the interim hosting of the Trust Headquarters and that the Italian government has formally confirmed interest in holding further talks on an arrangement.

The IPEE *expressed gratitude* to the current hosts of the Trust, FAO and IPGRI. The IPEE *recognized*, however the need to begin to plan for the transition to a more permanent arrangement. The Chair and the Executive Secretary informed the IPEE that the Trust had received expressions of interest from several governments about hosting the Trust. The IPEE *agreed* that an interim relationship with the Italian government should be explored first.

The IPEE *approved* in principle the Invitation to Tender an Offer to Host the Secretariat of the Trust. Members gave feedback on Criteria for Requirements for Hosting the Secretariat, Physical Requirements and Additional Requirements for Inclusion in the HQ Agreement. Comments were made on the paper including certain points of the criteria and minor amendments will be made accordingly.

The IPEE *authorized* the Executive Secretary to engage in formal discussions with the Italian government regarding interim hosting of the Trust, with the understanding that the Trust retains the option of going to tender if a satisfactory agreement is not concluded. The Trust's Constitution empowers the Executive Board to make the final decision regarding headquarters location.

7. Policy In-Kind Contributions and Secondments

The Director of Development presented the set of proposed policies and procedures for handling in-kind contributions and secondments to the Trust. Members discussed the document and offered several suggestions for its elaboration as a framework for the Trust's relations with donors.

The IPEE *agreed* that it is essential that all secondments and staff must report to the Executive Secretary of the Trust on all programmatic matters concerning the Trust. However, the IPEE *recognized* that the policy should not restrict the Trust's possibilities to obtain assistance in situations where staff are shared. At a later date, the IPEE *agreed* that it would look into the question of setting an upper limit of the amount of staff that the Trust might have under in-kind arrangements, but that for the moment the Trust should welcome such support and proceed on a case-by-case basis.

The IPEE *approved* guidelines on in-kind contributions.

8. Report on Finances

The HSBC fund manager presented the financial situation of the endowment and gave an overview of the investment climate in which the endowment is operating.

The IPEE *expressed appreciation* for the good performance of the endowment's investments. The IPEE *agreed* that HSBC should interact more with the finance committee of the IPEE in the future, in particular, meeting with or communicating with them prior to the IPEE meeting.

The Interim Finance and Investment Committee reported on four issues from its meeting on 26 April 2006: 1) the capacity and membership of the Committee; 2) identification of an independent financial advisor, 3) progress made regarding the endowment fund investment; 4) financial results for 2005 and 2006. An unqualified audit report for 2005 with no issues to follow up was distributed to all members of the IPEE.

The IPEE held a broad discussion of the question of risk and how to deal with it, both in terms of investments, reserves and contingencies. It was noted that the independent financial advisor should be able to offer assistance in helping the Trust address this complex issue.

The IPEE *endorsed* the selection of Independent Financial Advisor as suggested by the Committee. The IPEE *endorsed* the suggestion from the Committee to establish a risk assessment and risk management policy.

The IPEE *agreed* to strengthen the Interim Finance and Investment Committee in the next period and the IPEE *decided* on a further one or two members of the IPEE appointed to the Committee.

9. Staffing Changes

The Executive Secretary reported on important developments in the staff composition of the Trust. Capacity has been strengthened in the technical operations with the addition of two associate professional officers funded by Norway and Germany. However, the capacity of the Trust has been reduced by the departure of one senior staff person and the maternity leave of a key support staff person.

The Executive Secretary further informed that Australia has offered to provide the Trust with a senior staff person, yet to be identified, to be recruited from Australia for a period of one year. The IPEE *expressed gratitude* for this concrete and much needed assistance from Australia. It was also repeated from an earlier agenda item that the Trust has received a grant from the Moore Foundation to assist with fundraising in the U.S. The Trust anticipates hiring a person on a part-time basis to help carry out this work.

The IPEE *expressed pleasure* with the manner in which the Secretariat acted to address unexpected staff reductions through secondments, APO posts and other in-kind assistance with no budget implications to the Trust. (See related item on In-Kind Contributions)

The IPEE *suggested* the Secretariat to prepare a plan outlining ideal future staffing levels and this plan be presented to the Executive Board at its first meeting.

10. Update on previously made grants

The Secretariat presented a paper on the seven previous grants. It informed the IPEE that discussions have been held with one of the grantees and adjustments were made to the project accordingly; milestones were rescheduled and operational problems discussed and resolved.

The IPEE expressed their satisfaction with the presentation of the projects. Some specific questions were asked and clarified by the Secretariat regarding individual projects.

Discussions took place regarding standards for project management. The Executive Secretary stated that the future grants will mostly be long term grants with clear benchmarks. The importance of measuring impacts was also stressed. FAO offered to assist in evaluation of projects.

The IPEE *recommended* developing guidelines on monitoring and evaluation of grants as the Trust moves into providing support for long term conservation projects.

11. Update on Crop and Regional Strategies

The Secretariat presented a paper on the current status and the next steps in the development of crop and regional conservation strategies. All regional strategies will be in the advanced draft stage by August 2006. The regional strategies have succeeded in

identifying the priority crops in the regions, but regions have found it difficult to identify priority collections, a task that will fall to the crop strategies. The Trust hopes to have complete or nearly complete strategies for 18 or so crops by the end of 2006. Completed strategies will be placed on the Trust website.

IPEE members inquired about the “status” of the crop strategies when issued. Were they to be approved officially by some body or institution? The secretariat responded that the issue has been discussed extensively with the conclusion that the Trust should not aim for officially approved documents. No organisation has a specific mandate to approve such strategies; the process would likely be time-consuming and expensive; the resulting documents would likely be more heavily political and this would reduce their utility as scientific inputs to the Trust. The Trust hopes the strategies will be widely consulted and used. It does not see them as “official” documents, but as scientific strategies resulting from a participatory process involving leading scientists, collection managers, etc. The strategies will evolve as situations change.

The IPEE *congratulated* the Secretariat with the successful proceeding of the process of developing conservation strategies.

The IPEE *agrees* with the Secretariat regarding the desirability of keeping the process simple in terms of official recognition of the strategies and of considering the strategies as largely scientific (as opposed to political) documents that provide inputs to the Trust and others. In this regard, the involvement in and use by crop networks was recognized.

12. The Trust’s Vision of and Role in Creating a More Effective, Efficient and Sustainable System for the conservation of PGRFA.

The Executive Secretary introduced the paper. He outlined five assumptions underpinning the Trusts work: (1.) it is assumed that an efficient and effective conservation system must, at a minimum, be capable of carrying out a range of functions from conservation to distribution; (2.) it is assumed that the starting point should be the current situation, that the Trust should help build upon and improve this, and that it should take advantage of and not needlessly duplicate activities that are already well and securely funded by others; (3.) that while any action must be firmly based on sound scientific and technical principles, to be effective, due account must be taken of social and political realities; (4.) it has been assumed that increased efficiency and effectiveness can be achieved through a number of interlinked activities such as developing common databases, reducing unnecessary duplication, achieving a better division of labour and strengthening collaboration; and (5.) it has been assumed that a robust global conservation system will require and benefit from concrete participation by all relevant institutions, not only those involved with long term storage, but also down-stream and backup services that promote access and encourage use.

The Executive Secretary presented the three major areas for Trust Involvement and Support. 1. Securing collections of distinct and valuable PGRFA. 2. Increasing and improving the capacity for long term conservation of PGRFA. 3. Increasing efficiency and effectiveness of long term conservation in the model reference collections. He also

walked the IPEE through a “decision tree” for identifying collections that may be funded and for determining the relevant funding category for those collections. This general framework found strong support.

Discussions took place on the question of which crops would be prioritized.

The IPEE *reinforced* the position that the Trust should prioritize crops from Annex I of the International Treaty on PGRFA at this time. However, the IPEE *noted* that the Trust was not strictly limited to these crops/collections, as its mandate is larger. Support to other crops could be considered in the future when more substantive progress had been made with Annex I crops. When this time comes, the IPEE *considered* that “emergency situations” as opposed to provision of on-going operational costs, might be the logical focus of Trust involvement. It was understood, however, that the Trust will not undertake to provide grants to non-Annex I crops at this particular time.

The IPEE *welcomed, endorsed and decided* to keep under permanent review the paper as an important and clear statement of the Trust’s role and *noted* that it would provide a valuable framework to guide the operations and funding decisions of the Trust.

The Executive Secretary presented a paper on the concept of Matching Grants. The use of matching grants has become widespread practise in the funding strategies of foundations and development agencies. He stated that it is important that the Trust show impact now. Matching grants leverage the Trust’s support and increase the total amount available for mutually-agree conservation activities. Depending on circumstances grants could, for example, be made on a one-to-one basis, with both the Trust and the partner institute committing funds over a long period of time, or they could be based on a different ratio. He informed the IPEE that the Secretariat called upon the expertise of an IPEE member to develop the paper presented on Matching Grants. He assured the IPEE that the Trust’s principles and funding criteria would still apply and be rigorously observed and the Chair stressed the fact that matching grants are one strategy among several that could be used by the Trust.

The IPEE *welcomes* this new approach to grant making for the Trust and notes its potential to increase commitment by partners and ensure that jointly-agreed activities have the full support of the partner institution. The IPEE *considers* that this approach to grant-making will also increase the impact of the Trust’s funds, increase the amount of funds available to conservation, and result in larger and more immediate impacts.

The IPEE discussed the possibility of utilizing a matching grant approach with a particular CGIAR Center, in which the Center would earmark \$2 for each dollar earmarked by the Trust up to a certain point. One member questioned whether funds allocated according to this model would divert support from more needy collections. This issue was discussed in detail and it was concluded that the specific proposal clearly advanced the mission of the Trust as it involved the most important collection of one of the most important crops on earth, and thus the potential impact of the grant was an important consideration.

The IPEE *authorized* the Executive Secretary to continue discussions with the Center leading to a formal proposal and contract. The IPEE further authorized the Chair of the IPEE, the Chair of the Interim Finance and Investment Committee, and the Executive Secretary, collectively to take a decision on behalf of the IPEE and conclude an agreement with the Center if appropriate.

The IPEE *concluded* that the Trust should, on a case-by-case basis, take advantage of such opportunities when they arise to leverage its support and broaden impact. This approach could as well be applied to collections not held by CGIAR Centers, i.e., to those managed by national or regional facilities. The IPEE *noted* that the Trust should not become involved in sensitive questions about the management of Center reserves, nor should it act as a “money manager” for Centers.

13. Any other business

There was none.

Date of Next meeting

The date of the next meeting was tentatively set for 26-27 October 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.

