

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

Report of the Ninth Meeting IPGRI, Maccaresse, Italy, 26 October 2006

The Interim Panel of Eminent Experts for the Establishment of the Global Crop Diversity Trust, held its ninth meeting at IPGRI's headquarters in Rome, on October 26, 2006.

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;
- Chebet Maikut, President of the Uganda National Farmers Federation (UNFFE);
- 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.

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

- Lewis Coleman, President, DreamWorks Animation SKG.
- Walter Fust, Ambassador, Director General, Swiss Agency for Development and Cooperation.
- Ismail Serageldin, Director, Library of Alexandria, Egypt.

The following attended the meeting:

- Emile Frison, Director-General, IPGRI;
- Kwesi Atta-Krah, Deputy Director-General, IPGRI;
- Shivaji Pandey, 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;
- 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.

The Chair, Ambassador Fernando Gerbasi, opened the meeting and welcomed the members of the IPEE, staff and representatives of the host organisations, and the Chair of the Donors' Council.

Update from Executive Secretary

The Executive Secretary welcomed everyone, and gave a brief presentation on the highlights of 2006. No review of 2006 would be complete without analysing the first meeting of the Governing Body of the International treaty on Plant Genetic Resources for Food and Agriculture. This meeting was very successful for the Trust, in particular because of the Ministerial statement supporting the Trust and urging countries to contribute, the unanimous support for the Trust expressed by the meeting itself in its Final Report, and the signing of a Relationship Agreement with the Governing Body of the International Treaty.

The Executive Secretary reported that it had been a good year for fundraising, with successes including a donation received from India and Ethiopia and in-kind support received from SIDA and the Dutch government. He highlighted the assistance received from Debbie Delmer at the Rockefeller Foundation, and from Walter Fust. Media coverage has been very extensive, thanks to interest in the Svalbard Global Seed Vault in arctic Norway. In summary he pointed out that the Trust is moving to a new stage in its life, in the political sense with its formal relationship with the International Treaty, with a new Executive Board due to start its work in 2007, and on the programmatic side, with the elucidation of the Trust's role in the paper approved earlier in the year, and with the imminent public announcement of the Trust's first long-term conservation grant.

Report from the 1st Meeting of the Governing Body of the International Treaty on Plant Genetic Resources for Food and Agriculture, in Madrid

The Chair of the IPEE reported back in more detail from the Governing Body meeting. He described the 5 letters (each on a different aspect of the Trust's structure and operations) which he and the Executive Secretary had jointly sent to the delegates in the run up to the meeting. He felt that this initiative had contributed to the positive outcomes of the meeting. In more detail, these outcomes were: (1.) a Ministerial statement, approved by 65 countries that called for all possible donors to support the Trust; (2.) the official report of the meeting that records that the Governing Body expressed "unanimous support for the Trust"; and (3.) a formal Relationship Agreement that was signed between the Trust and the Governing Body recognizing the Trust as "an essential element of the Funding Strategy of the Treaty in relation to the *ex situ* conservation and availability of plant genetic resources for food and

agriculture”. The Chair concluded with reinforcing the importance of using networks and technical meetings to keep this critical constituency informed about the Trust. The IPEE welcomed this very positive news of the results of the Governing Body meeting, noted its critical importance to the organization, and expressed its thanks to the Chair and Executive Secretary for the effective manner in which they overcame obstacles to achieve an even better than expected result.

Executive Board – update and acceptance by DC nominees

The Executive Secretary reported that all four of the Donors’ Council nominees had accepted to serve on the Board, which was scheduled to hold its first meeting in April 2007. The nominees are Margaret Catley-Carlson (Canada), Lew Coleman (USA), Jorio Dauster (Brazil) and John Lovett (Australia).

Report of the 3rd Donors’ Council Meeting

Peter Waddell-Wood, Chair of the Donors’ Council, reported back to the IPEE on the Donors’ Council meeting which took place on 25th October. He informed the IPEE that, like the other meetings, it had been a good, constructive and positive meeting. He was pleased to have been able to welcome India and Ethiopia, as new donors and new members of the Donors’ Council.

He reported that the Donors’ Council had welcomed the strong international legal position achieved by the Trust and particularly thanked the Chair of the IPEE, Ambassador Fernando Gerbasi, for his leadership and knowledgeable and effective guidance. The Donors’ Council had discussed the issues of the remit of the Donors’ Council, and the related issue of the timing of its meetings, and the Council asked the IPEE to request the secretariat to prepare a paper on these issues for the Executive Board.

Programme and budget for 2007

The Executive Secretary introduced the 2007 programme and budget, beginning with a description of a grant the Trust expects to receive in 2007, in partnership with the United Nations Foundation, from the Bill and Melinda Gates Foundation. The scale of this grant – approximately \$30 million - allows the Trust to accelerate programmatic activities dramatically, creating a workable global system in the next four years that could then be largely maintained with the support of the Trust’s endowment. In essence, the grant means the Trust will be 20 years ahead of where it might have been without such an injection of support.

The Executive Secretary provided a summary of the programme, including the fact that the programme will secure over 90% of threatened diversity of 21 crops, and that it will work with 70 genebanks and 15 regional networks to regenerate more than 165,000 targeted samples. The grant will fund the transport to Svalbard of 450,000+ samples - 50% of the diversity of 21 crops. The grant will also make possible the development of a genebank management software system for national use, and a global clearinghouse for accession level data – a “one-stop shop” for plant breeders, dramatically increasing availability of crop diversity to plant breeders. In addition the grant will fund the evaluation of 50 collections for at least 100 characters through a competitive grants programme. It will develop/improve techniques for conserving and transferring coconut, aroids, cassava, yam, sweet potato, breadfruit – and thus potentially reduce costs for field conservation by 75%.

The Trust, subject to approval of the budget, will also make c. \$1.4 million in long-term conservation grants in 2007.

The Chair of the IPEE congratulated the staff on a dramatically enhanced programme for 2007.

6. Report on Finances

Andrew Bennett briefed the IPEE on the outcome of the Interim Finance & Investment Committee (IFIC) meeting that had taken place on 26 October 2007.

The Committee reviewed the investment portfolio and the performance of the fund to date. It noted that the portfolio has performed above expectations, earning a return of approximately 20%, but stressed that this cannot be guaranteed in the future. It was noted that an Independent Financial Advisor (IFA) has been identified and will commence work in January 2007. The IFA will provide independent investment advice to the Trust in all stages of the investment planning cycle in order to improve long-term investment performance. In particular, they will provide support in defining the investment strategy and in the identification, selection and monitoring of external asset managers. Moving forward, the IFIC will rely on the advice and recommendations of the IFA.

The financial results for the year to date were reviewed. It was noted that savings were made in certain areas but that expenditure was also accelerated in certain cases following a rational and deliberate management decision to do so. The IPEE requested the Secretariat to provide more detailed budget notes, in particular to explain divergence by more than 10% from budget line items. It was noted that such divergence will be common given the nature of the Trust's programme and funding.

The program of work and budget for 2007 was discussed. The budget prepared assumes a successful outcome of the project funded by the Gates Foundation. The program of work shows enhanced activities, accelerating the program of work of the Trust and subsequently reinforcing the priorities of the Trust. Following the discussion, the IPEE agreed to empower the Executive Secretary to recruit more staff as identified in the budget and program of work. It was also agreed to increase the delegated authority of the Executive Secretary regarding expenditure from USD 100k to USD 200k.

The Trust will enter into its first long-term conservation grant this year with IRRI to secure the rice collection. The IFIC reviewed the contract and noted that there should be an exchange of letters regarding the bi-annual program of work to be monitored.

The contract between the Trust and UNF regarding the funding from the Gates Foundation was discussed, it was suggested that it should be subjected to a due diligence review. The Chair of the IPEE authorized the Executive Secretary to sign the contract following a review by the Trust legal adviser.

Andrew Bennett noted that the Trust is moving from a situation in which there was a shortage of funds to one where funding is arriving fast. This creates a change from

reporting on how the fundraising is developing to one of due diligence, accountability and risk/liability assessment.

It was agreed that going forward there should be a standing Finance & Investment Committee, the role, terms of reference and composition, having regard to the complexity and due diligence issues, should be determined by the Executive Board.

It was also agreed that the Secretariat should prepare a paper clarifying the role of the Donors' Council and its relationship with the Executive Board having particular regard to the papers which are to be presented to the Donors' Council, the sequencing of such and the level of input required from the Donors' Council. It was suggested that the Donors' Council should be linked with the second annual meeting of the Executive Board. The Chair of the Donors' Council noted that the donors favoured holding the meetings back-to-back as it permits rapid transmission of information from the Donors' Council to the Executive Board.

7. Report on Fundraising

The Director of Development, Julian Laird, reported on recent fundraising activities and events. He noted that, in addition to the grant secured from the Gates Foundation, the Trust has raised a further USD 17 million since the last meeting. Funds have been committed by India, Ireland, Germany, Norway and USAID and Ethiopia have paid the first installment of their pledge. He noted that while the total contribution from USAID remains low, the additional contribution is significant as it shows that they are still engaged.

The Gates Foundation has agreed to provide an amount of USD 7,500,000 for the Endowment Fund provided this amount is matched by another donor. The IPEE raised the issue of whether there was a strategy for raising these matching funds, and the Secretariat that it was already in discussions with a prospective donor.

Andrew Bennett raised the issue of whether the Trust is continuing to pursue funding for the Endowment Fund or whether, in the light of the grant from the Gates Foundation, the Trust was also pursuing other forms of funding. The Secretariat emphasized that it was continuing to concentrate on raising funds for the Endowment Fund.

8. Location of Headquarters

At the previous meeting, the Executive Secretary was authorized to enter into discussions with the Italian government regarding an interim agreement for the headquarters location of the Trust. He reported that the Trust has received a letter from the Italian Government expressing their desire to host the Trust. They are considering the possibility of extending the current headquarters agreement of either FAO or IFAD, to the Trust on an interim basis. The interim arrangement would also provide for a contribution to the Trust in the amount of Euro 5 million over a five-year period. The Italian government has asked the Trust to provide them with a document stating exactly what the Trust would require, raising all relevant questions. They will then use this as a basis for preparing the interim hosting agreement.

The Executive Secretary was authorized to pursue the securing of an interim arrangement which should then be discussed with the Chair of the IPEE. It was

agreed that should the Trust not secure an interim arrangement by March 1, 2007, then the Trust would proceed to go to tender for a headquarters location, the final decision on this matter resting with the Executive Board.

9. Report on Communications

The Director of Development presented a report on the communications strategy of the Trust. The intention to reformulate the Trust's image was announced at the previous IPEE meeting. This process, which started with the website, has continued with the production of a new range of materials including the publication Crop Topics which is issued eight times a year.

He noted that a very significant amount of coverage had been received in response to the Svalbard International Seed Vault launch.

The IPEE expressed its satisfaction and pleasure with the quantity and quality of media attention the Trust had received in 2006.

10. Review of Executive Secretary

The Panel held a closed session in order to review the performance of the Executive Secretary. They then thanked the Executive Secretary for his very positive performance.

11. Any other business

The IPEE discussed the extent to which IPEE involvement is needed in the transition to the new Executive Board, and EB interaction is required. It was agreed that an orientation session for new Executive Board members would be desirable, and it was agreed that the Chair of the IPEE should attend this session and involve other IPEE members as required, considering both need and costs.

It was also agreed that the accomplishments of the IPEE should be recorded and recognized. The IPEE provided guidance from the conception of the Trust to its becoming an established international organization with a global programme and a sizeable endowment fund. On the appointment of the Executive Board, the Chair of the IPEE will send a letter to both FAO and IPGRI to mark the formal transfer of authority to the Executive Board. This letter will summarize the work and accomplishments of the Interim Panel.

Closing

In closing the meeting the Chair expressed his appreciation to IPEE members adding that it was an honour and a privilege to have chaired the IPEE. He thanked Geoff Hawtin as the first leader of the organization and Cary Fowler for his very positive performance which has exceeded all expectations. He then thanked the Secretariat for all their assistance and support and all the members for their inputs to a very successful meeting. The meeting was adjourned.