



**GLOBAL CROP DIVERSITY TRUST
Donors' Council
6th Meeting**

SUMMARY RECORD

20th November 2009, Rome

**Annex 1 Agenda
Annex 2 List of attendees**

Welcome from the Chair of the meeting

Dr Abd El-Aziz Hosni, Donors' Council Vice-Chair, opened the meeting and welcomed the members of the Donors' Council. He announced that the Donors' Council Chair Peter Waddell-Wood, of Australia, was unable to travel due to illness. The Vice-Chair asked the Secretary to read out the letter sent by Peter Waddell-Wood.

Executive Board nominations and election

The Chair reminded the meeting of the Council's role in electing four members of the Executive Board of the Trust, and that this year, for the first time since the inaugural Board was elected, the Council needs to elect new members. The Chair explained that an out-of-session paper had outlined the proposition of voting for two members of the Council at this meeting, one member for 2010 and the other for 2011. This would streamline the selection process and also bring the Donors' Council's process in line with that adopted by the Bureau of the Governing Body of the International Treaty.

The Chair presented the two nominations received – Walter Fust of Switzerland and Roberto Rodrigues of Brazil. He noted with satisfaction the high profile of both nominees, then opened the floor to comments. The meeting unanimously agreed on the election of the two nominees, and after discussion it was suggested that the Council invite Walter Fust to join the Board in 2010 and Roberto Rodrigues in 2011, in order to preserve the current balance between developed and developing countries.

Highlights of 2009

The Executive Director, Cary Fowler, gave a presentation on the progress achieved during the year. His presentation ranged over all the main areas of Trust activity, including: rescuing unique diversity which is in danger of dying, on which the Trust is working with 101 institutes; screening accessions for traits important to climate change, which the Trust is funding in 32 countries;

pre-breeding, which is being undertaken in partnership with FAO; information systems, in which the Trust is funding systems to improve genebank management as well as to promote availability and use; the preparation and shipping of samples to the Svalbard Global Seed Vault; the long-term grants, which are currently provided to 17 crop collections.

A lively discussion followed. A second presentation was made by Julian Laird, Director of Development & Communications, on the communications achievements of the Trust during the year, in particular the redeveloped website, featuring multiple languages and a searchable map of all the Trust's activities.

Our work and the wider context – looking forward

The Executive Director, Cary Fowler, gave a presentation that detailed the challenges of creating a global system which is rational, efficient, effective, and sustainable. In addition, he positioned the Trust's work in relation to topical concerns, in particular climate change.

He presented five main directions that the Trust is pursuing project funds for:

- Collecting crop wild relatives
- Strengthening the global system of genebanks
- Improving management and information systems
- Enhancing the conservation of roots and tubers for food security
- Endowing a crop

Again, an engaged discussion ensued.

Fundraising report

Julian Laird, Director of Development & Communications, provided an update on the Trust's fundraising progress.

Four major donations from the year were detailed:

- 1m Euro contribution from Spain, a new member of the Donors' Council
- 1m USD contribution from Lillian Goldman Charitable Trust
- 1m USD contribution from USA for operations
- 7m USD contribution from USA for the endowment

He further reported on the current developments to secure further contributions against the authorization in the USA Farm Bill. Another major development was Australia becoming the first country to announce a "second round" of funding for the endowment. The new pledge from Australia is for AUD4.5m (USD 4.1m). This is in addition to their existing AUD16.5m pledge, bringing their support to the Trust's endowment to a total AUD21m. The pledge will be payable over four years, and attention was drawn to the fact that such annual contributions are an excellent way to support the Trust's endowment. It was also reported that the Director General of AusAID had written a letter to fellow heads of development agencies, highlighting the important work of the Trust and the need for further support.

Finance and Investment Report and 2010 Budget

Cary Fowler gave a presentation on the finance and investment status of the organization. He noted that market conditions had significantly improved since the previous year and that the investment return for the year to date was +10% (2008: -19%).

He discussed the importance of managing the endowment fund conservatively in order to handle market downturns and ensure the Trust is able to meet all future commitments. The investment objectives and policies provide for the withdrawal of 4.5% of the average portfolio value over the previous six quarters as annual income from the fund. However, as with previous years the Trust does not intend to withdraw the entire amount in 2010.

It is projected that the Trust will require approximately 2.6% for 2010. Although less than the authorised 4.5%, this is in order to protect the capital during a period of considerable financial uncertainty in the financial markets and, in particular, to avoid entering into any long-term funding arrangements which the Trust cannot maintain. The remainder will be retained in the investment fund; these funds remain invested allowing the fund to grow while still being available for use if absolutely necessary to meet the Trust's contractual agreements with grantees. For the second year, a significant amount is being held in cash and short-term instruments as a safety measure in turbulent times.

The Trust continues to retain the services of Watson Wyatt as independent financial advisor through support received from the Swiss Agency for Development and Cooperation (SDC). The Trust is continuing to refine its investment strategy and is moving towards a portfolio of specialised asset managers. Watson Wyatt is assisting the Finance and Investment Committee in setting the criteria and the asset manager selection process.

The 2010 annual budget for the organization was presented and endorsed. It was noted that operations are broadly similar to the previous year and that in future the previous year's budget will also be provided for comparison purposes.

Executive Board and Governance

Mellissa Wood, Director of Program Development, reported on the Executive Board and Governance of the Trust. She explained that the Board is now three years old, and has been working on strategic and governance issues. In the past year, the Board has approved a monitoring procedure (Report Card) for Trust activities such as program, finance, fundraising, and communications. The Board has also been focused this year on a risk assessment process, work plan and budget, a fund disbursement strategy, as well as new programmatic initiatives.

She provided Donor Council members with a more elaborate explanation of the risk assessment process undertaken by the Board and the Trust. She

explained that risk assessment is now a standing item at all board meetings. Risk management will be reviewed annually by the Board, while operational level risk management will be reviewed bi-annually by the Trust Secretariat. She explained that the Board is currently discussing means to minimize the effect of the financial crisis on the endowment funds, as well as discussing permanent headquarters agreement for the Trust.

The discussion focused on the report card, dash board and crop cards, with members indicating that such mechanisms allow for a welcome snapshot of progress made by the Trust in each of the areas.

Closing

Dr Abd El-Aziz Hosni, Donors' Council Vice-Chair, thanked all members for the contributions. He summarised by reminding the Council members of the actions taken earlier in the meeting, mainly the election of two new Board Members. He repeated that the Council is pleased with the conservative strategy undertaken by the Trust in terms of investments, and also reiterated that the Council has endorsed the 2010 budget.

He asked the Secretariat to of the Council to communicate the good wishes of the Donors' Council to Peter Waddell-Wood and wish him a speedy recovery. He also added that the Council wishes to express to Mellissa Wood their gratitude for her commitment and service, as well as to the Australian government for funding this position.

Provisional Agenda

9.00	1	Welcome and Introductions
	2	Adoption of Provisional Agenda and Timetable
9.15	3	Review of Executive Board nominations and election of new members
10.00	4	Highlights of 2009
11.00		Coffee
11.30	5	Our work and the wider context - looking forward
12.30		Lunch
13.30	6	EB6 paper - Fundraising report 2009
14.00	7	EB6 paper – Finance and Investment Report & 2010 Budget
15.00		Coffee
15.30	8	Executive Board and governance report
16.00	10	Other business
16.30		Meeting close

Followed by reception at Hotel Fortyseven

Annex 2

Donors' Council Meeting - 20 November 2009

Participants

Donor	Representative
Australia	Kristina Gill
Canada	Marco Valicenti
Egypt	Abd El Aziz Mohamed Hosni
International Seed Federation	Piero Sismondo
Norway	Daniel van Gilst
Switzerland	Pio Wennubst
Switzerland	Sonja Tschirren
Syngenta AG	Leo Melchers
Syngenta Foundation	Yuan Zhou
United Nations Foundation	Dulce Benke
United States	Robert Bertram

Global Crop Diversity Trust staff attending:
Cary Fowler, Julian Laird, Mellissa Wood, Anne Clyne, Jenin Assaf, Maria Dodson