

**Summary Report of the Twelfth Meeting of the Executive Board
22-23 May 2013 – Bonn, Germany**

The following Members of the Board were present:

Amb. Walter Fust
Amb. Tim Fischer
Prof. Roberto Rodrigues
Prof. Dr. Klaus Töpfer
Dr. Emile Frison (CGIAR)
Dr. Clayton Campanhola (joined the 1st day at 12 am, representing Ren Wang, FAO)
Ms. Marie Haga

The following Observers of the Board were present:

Dr. Javad Mozafari (Chair of the Governing Body of the Int. Treaty)
Dr. Barbara Kosak (BMELV - Chair of Donors Council)

The following observers joined us remotely:

Dr. Shakeel Bhatti (Day 1, 22nd May)
Mr. Ken N' Dozie (briefly on Day 2, 23rd May)

The following Members of the Board sent their apologies:

Dr. Ibrahim Assane Mayaki
Lew Coleman, Chair of the Finance and Investment Committee, also sent his regrets.

The following staff attended various Items:

Dr. Paula Bramel, Secretary to the Executive Board and Deputy Executive Director
Anne Clyne, Director, Finance
Jane Toll, Senior Project Manager
Luigi Guarino, Senior Scientist
Matije Obreza, Project Manager, Genesys II
Charlotte Lusty, Scientist
Dr. Hannes Dempewolf, Scientist
Layla Daoud, Manager, Corporate Operations
Krupali Patel, Manager, Partnerships
Mary Ghira, Assistant, Executive Office

Message of Board Chair

The Chairperson greeted Members of the Board and commended the Crop Trust staff for their efforts in ensuring the smooth relocation of the Trust from Rome to Bonn. He welcomed Dr. Javad Mozafari, Chair of the Fifth Session of the Governing Body of the International Treaty, to the meeting. The Board noted the good work of the Donors' Council, with reference to Dr. Barbara Kosak, an Observer of the Meeting.

1. Welcome, introduction of new Members and Adoption of Provisional Agenda

The Chairperson opened the meeting and welcomed Members, new Members and Observers, and noted apologies.

Dr. Shakeel Bhatti, Secretary of the Treaty, was welcomed into the meeting via Skype and greeted all participants.

Dr. Frison confirmed he will be leaving his position at Bioversity International and therefore this may be his last Board Meeting.

- 1. Decision: The Board adopted the Provisional Agenda for the 12th meeting of the Executive Board.*

2. Future Direction for the Trust

Jane Toll provided an overview of the results of the Global System Project, funded by the Bill and Melinda Gates Foundation and the Australian Grains Research & Development Corporation. Hannes Dempewolf presented an overview of the Crop Wild Relatives Project funded by the Government of Norway. Paula Bramel presented an overview of the Genebank CRP (CGIAR Research Program).

Marie Haga explained the need to re-think the Business Plan following a series of changes: the end of the Global System Project, a new proposed endowment target, and the relocation to Bonn. She stated that the increase of the endowment target will have an inevitable impact upon the work of the Crop Trust.

Charlotte Lusty presented on issues surrounding the costs of running a genebank. She discussed how to achieve equitable costs, optimize operations and rationalize collections.

Luigi Guarino set out options for the Crop Trust's future strategy. He reiterated that the focus of the Crop Trust is on the Multilateral System of the Treaty, and on the crops listed under Annex I and in Article 15 of the Treaty. He suggested an objective system of crop ranking would assist the Crop Trust in prioritizing crops for funding support. He pointed out that many globally important collections exist outside the CGIAR system, and outside Article 15, and that an effort could be made to bring these into the Multilateral System and make them eligible for Crop Trust support. He closed his presentation by suggesting that revitalizing the crop strategy process would be useful. Finally, he highlighted technical areas where the Crop Trust might find opportunities for strategic intervention to facilitate efficiency. He outlined how these efforts would have to rely on a mixed stream of project and endowment funding.

The Board discussed the document on the future direction of the Crop Trust developed by Management, focusing on the key questions included in it. Management will develop a more comprehensive document taking the Board's input into consideration. This will be a modified Business Plan that will include a reassessment of some key strategic aspects reflecting changes within and external to the Crop Trust. It will recognize the need for a stronger link to the Treaty Benefit Sharing Fund, and articulate a clearer strategy for partnerships. There may be a need to update the goals, but the basis for the Crop Trust's work will remain the same. The Board discussed the frequency of review for this Business Plan and agreed it should not be necessary more than once every 2 years.

2. Decision: In advance of the next Board Meeting a 10-year Business Plan will be prepared by Management.

The Board discussed the target for the endowment. They were concerned the Crop Trust need to have clear evidence for the target. We needed a separate goal in terms of revenue needed for the annual budgets. Finance mobilizing schemes would have to be developed accordingly and needed to be differentiated. Our approach to future funding will be an important part of the new and modified Business Plan.

The Board recognized the need to carefully monitor Article 6 of the Treaty for its goals and objectives to ensure adequate consultation with the Treaty on policy. This consultation and guidance on policy by the Governing Body is recognized as a specific need of the Crop Trust in the relationship agreement.

The Business plan need to 'be a response' to new needs but it must not lead to drift and reduce the clear focus of the organization. The Crop Trust needs to anticipate changes inside and outside the Multilateral System.

Lessons that the Crop Trust has learned in the implementation of the Standard Material Transfer Agreement (SMTA) need to be shared with the Treaty and others, forming a basis for future action through close collaboration with the Treaty and other elements of the funding strategy – like the Benefit Sharing Fund. This will put Crop Trust work and achievements in the broader context of the Treaty and give visibility to the Treaty. In the process, the Crop Trust needs to broaden consultations and partnerships with the contracting parties and the Secretariat of the Treaty.

The Board recognized the need for continued priority given to crops and collections covered under the Multilateral System. The Crop Trust should also contribute technical work to the discussion needed to expand the System's coverage. The expanded coverage needs to focus more on what is outside the System, not what is in it. The discussion should be on materials that are not in Annex 1 but can still be accessed under the terms of the Multilateral System. While priority should continue to be given to the coverage of Annex 1 and Article 15, additional crops or collections should be considered for funding, but only under the terms and conditions of the Multilateral System.

The Board agreed to establish a rational, explicit basis for the Crop Trust's food crop coverage, using an alternative set of criteria that may include or omit crops from Annex 1 and Article 15 but may also cover additional crops of importance to food security, poverty reduction and nutritional security.

The Board agreed with Management's proposed focus for funding. The Crop Trust could consider annual assessment from a donor that could be used to fund a long term grant and relieve the need to withdraw from the endowment, with implications for the long term growth of the endowment. The Crop Trust could consider annual assessments to cover other operational expenses and relieve the need to withdraw from the endowment. It could also consider funds from private sources to use for operational or long term grant funds. When considering short term funding opportunities, the Crop Trust should always prioritize those that address critical areas for long term conservation. From this perspective, a project that focuses on use is of marginal benefit to long term goals, unless it comes at a marginal cost to the Crop Trust. The value proposition should always be considered.

The Board suggested that the Crop Trust should increase its efforts to address the challenges of climate change to crop diversity, as well as the promise that crop diversity holds in adaptation, particularly as justification for our work or advocacy for others to consider in their funding.

The Board agreed that the Crop Trust should increase its activities in measuring the impact of its work and mission. However, the Chair suggested that the Crop Trust may not want to invest in new in-house capacities to measure impact, as this is a service many organizations in Germany and other countries can offer. Dr. Frison stressed the importance of collecting data and suggested that the compilation of impact stories carried out by other organizations is a good start. Dr. Mozafari identified peer-reviewed assessment as essential for the Crop Trust's self-development.

Luigi Guarino presented the feasibility of investing in sequencing technology, as well as other research areas such as cryopreservation where funding could improve efficiency. By relating genotypes with phenotypes the Crop Trust could sequence a whole genebank collection or link existing sequence data to collections. Dr. Mozafari stressed that any new technological research adopted by the Crop Trust should be aligned with its organizational objectives.

The Board reiterated that any investments in the application of new technologies must be in line with the goals and objectives of the Crop Trust, with the focus kept on conservation as the primary goal. The Crop Trust should also consider careful investments into capacity building to enable or empower others to undertake conservation or use new technologies. There needs to be a close consideration and articulation of focus in such capacity building.

The Board suggested that the Crop Trust more clearly design an architecture for its partnerships. This needs to include the G20; the NGO family such as IUCN, WWF and Oxfam; and the UN family. The private sector is also an important future partner, but balance is needed. Regarding capacity building, partners had to be found at a national level. In addition, one of the Crop Trust's stated goals in its constitution is forming partnerships in the context of its own projects. The regeneration of collections of 80 crops has been achieved in partnership under the Global System Project, and these partnerships needed to be further strengthened as part of the *ex situ* global system.

The Royal Botanic Gardens, Kew is a major partner of the Crop Wild Relatives project. The Crop Trust is harnessing its expertise in collecting CWRs. Obviously the Treaty, but also Bioversity International is a key partnership that needs to be strengthened. Marie Haga will organize regular meetings with the Treaty Secretariat and Bioversity International to ensure all parties are regularly updated on each other's developments.

FAO is also a very important partner, and Marie Haga expressed her desire to keep in regular contact with FAO Board Member, Ren Wang. Dr. Campanhola offered his support in helping the Crop Trust build areas of synergy with FAO.

The Chair emphasized the Crop Trust to build new relationships with civil society organizations in Germany.

The Chair stressed the importance of having a dynamic funding mechanism for the Endowment; he recommended that the third stream should be derived from an investment vehicle. Amb. Tim Fisher emphasized the need to crystallize the Crop Trust's priorities before the new endowment target is disseminated into the public realm. Marie Haga confirmed that there will be a Fundraising Strategy document prepared. The main elements of the strategy will be reflected in the modified Business Plan. The Board agreed that the Crop Trust needs to focus on what it was set up to achieve. They discussed various factors and changes in policy that may impact the Crop Trust over the next ten years. The Chair affirmed the need to anticipate the external factors that could affect the Crop Trust. He ended discussions by emphasizing the need to review innovative financing mechanisms.

The Board suggested that the independent assessment of the Global Systems Project be circulated to the Board.

- 3. Decision: The Fundraising Strategy will be an integral part of the modified Business Plan. It will consider the value of a Fundraising Committee of Board Members.*

Meeting adjourned for Day 1

Members of the Board attended the Crop Trust's formal opening and reception at Platz der Vereinten Nationen 7, generously hosted by the German Government.

Day 2 – May 23rd

3. Minutes and Actions arising from EB11

The Secretary went through the list of Decisions and Actions arising from EB11. Members discussed these and noted that all were completed or covered in other papers. Board Composition and the Human Resources Committee will need to be pushed forward to EB13.

4. *Decision: The Board approved and adopted the Minutes from the 11th Executive Board Meeting*

4. Members Report

Each Member provided a brief report on their activities related to PGR and Crop Trust activities over the last 12 months.

5. Board Business

The Board expressed its intention to work with Dr. Kosak to identify two additional members for the Donors' Council.

There are three Board vacancies that are reserved for nomination by the Governing Body of the Treaty. The only current GB-nominated Board member is Dr. Mayaki, but his term is to end in 2013. If there are no new nominations by the end of 2013, and Dr. Mayaki does not wish to extend his term, all four of the spaces reserved for Governing Body nominees may need filling.

Amb. Walter Fust and Dr. Paula Bramel attended the last Bureau meeting in Oman to discuss the nominations and a simplified process for the upcoming Governing Body meeting. A process was discussed but the Bureau did not agree to move forward with it. Thus, The Secretariat of the Treaty will discuss the nominations further with the Crop Trust in anticipation of the Oman meeting. Dr. Mozafari confirmed that three nominations, or possibly four, would be made in September with effect from October 1st. The relationship agreement with the Crop Trust will be honored.

Dr. Frison confirmed that the Board will need to ask the CGIAR for a new nomination as his replacement.

It was noted that the Chair would make a request to Dr. Mayaki to continue as a Member of the Board.

5. *Decision: The Board agreed to make a request to the Donors' Council that Amb. Fust's nomination should be extended for a further three-year term, given his Chairmanship.*

6. Transition to Bonn

Layla Daoud, Corporate Operations Manager, delivered a detailed presentation of the key issues related to the relocation to Bonn. The Board agreed that this process has been handled well. She highlighted the need to concretize German support, which would involve, in part, ongoing support for the Crop Trust's new Headquarters in Bonn. The Crop Trust has invested in a new Enterprise Management System that should be operational by July 1st. This new system will handle the Crop Trust's HR, Procurement and Financial Operations. The Crop Trust has been selected to host the European Cooperative Program for Plant Genetic Resources (ECPGR) and is in negotiations on the hosting agreement. She emphasized the need to invest in team building in the coming months. Layla Daoud ended the presentation by congratulating those members of staff and spouses involved in the relocation to Bonn. Layla Daoud thanked Dr. Frison, on behalf of Bioversity International, and Dr. Campanhola, on behalf of FAO, for providing support in the transitional period. She highlighted the Crop Trust's intention to reciprocate this good will in Bonn to encourage further collaboration and provide guest offices in Bonn.

The Board commended Layla Daoud and all staff at the Crop Trust for the diligent efforts they have made to ensure the transition to Bonn went smoothly.

6. *Decision: The Board will receive a full set of final policies, including the Travel Policy, the Occupational Health and Safety Policy, and the IT and Communications Policy, at the next Board Meeting.*

7. Finance and Investment Report

The Chair presented the Finance and Investment Committee (FIC) report. He noted that the investment portfolio is producing excellent results and that the funds are performing well against benchmarks.

The Director of Finance acknowledged that the portfolio has achieved an annualized return of 5% since its inception in April 2005. The Chair thanked Anne Clyne, Director of Finance, for job well done.

The Board commended Lew Coleman's sound advice with regards to managing the investment portfolio.

7. *Decision: The Board will make a request to Lew Coleman to return to the Executive Board and continue his position as Chair of the Finance and Investment Committee.*

8. *Decision: The Board approved the revised 2013 budget.*

The Director of Finance noted that there were no comments from the external auditors and no caveat on the report. She informed the Board that the Management will initiate the process of selecting a new audit firm in Bonn during the summer. The results of the tender process will be presented to the Board at the next meeting, when the new audit firm will be selected.

Amb. Fischer expressed a desire to invite the auditors to the Board meeting once a year when the Financial Statements are presented for approval.

Dr. Frison raised a question concerning the funding flow and accounting for the Genebank CRP. The Director of Finance confirmed that while the cash is received through the bank account of Bioversity International, it was agreed with the auditors of the Crop Trust, Bioversity International and the Consortium Office that the funds should be recognized in the accounts of the Crop Trust.

9. Decision: The Audited Financial Statements for 2012 were accepted by the Board.

8. Next meetings in 2013 and 2014

EB13 will be held October 22nd and 23rd after the Donors' Council Meeting on October 21st in Rome.

The Board agreed to convene EB14 in the last week of February 2014 in Svalbard.

9. Other Board Business

Members of the Board explored the notion of creating an 'Associates of the Crop Trust' group. Marie Haga urged the Board to proceed with caution and suggested a paper be prepared to the next Board Meeting.

The Board acknowledged the need to nominate two new members for the Finance and Investment Committee (FIC). Lew Coleman will be asked to continue on the FIC.

Dr. Frison ended the discussions by expressing his best wishes to the Crop Trust, as this may be his last Board Meeting.

10. Decision: Draft a Terms of Reference for the Associates of the Crop Trust to be considered at EB13.

The Twelfth Executive Board Meeting closed

Summary of Decisions and Actions arising

No.	Decision
1	<i>The Board adopted the Provisional Agenda for the 12th meeting of the Executive Board.</i>
2	<i>In advance of the next Board Meeting a 10-year Business Plan will be prepared by Management.</i>
3	<i>The Fundraising Strategy will be an integral part of the modified Business Plan. It will consider the value of a Fundraising Committee of Board Members.</i>
4	<i>The Board approved and adopted the Minutes from the 11th Executive Board Meeting.</i>
5	<i>The Board agreed to make a request to the Donors' Council that Amb. Fust's nomination should be extended for a further three-year term, given his Chairmanship.</i>
6	<i>The Board will receive a full set of final policies, including the Travel Policy, the Occupational Health and Safety Policy, and the IT and Communications Policy, at the next Board Meeting.</i>
7	<i>The Board will make a request to Lew Coleman to return to the Executive Board and continue his position as Chair of the Finance and Investment Committee.</i>
8	<i>The Board approved the revised 2013 budget.</i>
9	<i>The Audited Financial Statements for 2012 were accepted by the Board.</i>
10	<i>Draft a Terms of Reference for the Associates of the Crop Trust to be considered at EB13.</i>

Attachment

**Agenda
Executive Board Meeting 12**

Time	Agenda Item	Item for Action/ Information
DAY 1	Wednesday 22 May – Conference Room	
08.30 30 mins	Tour of new office	
09.00 15 mins	1. Welcome, introduction of new Members and adoption of Provisional Agenda	Information
09.15 180 mins	2. Future Direction for the Trust	Action
12.15 – 13.15 60 mins	LUNCH	
13.30 120 mins	2. Future Direction for the Trust	
15.30	END OF BOARD MEETING	
15.45 15 mins	"Get-Together" with German Federal Minister of Agriculture, Mrs. Aigner (TBC)	
16.00 60 mins	Welcome Event	
17.00 180 mins	Cocktails and Finger Food	
20.00	BOARD DINNER WITH TRUST STAFF	

**Agenda
Executive Board Meeting 12**

DAY 2	Wednesday 23 May – Conference Room	
09.00 15 mins	3. Minutes and actions arising from EB11	Action
09.15 15 mins	4. Members Report	Information
09.30 30 mins	5. Board Business	Action
10.00 75 mins	6. Transition to Bonn: Update	Information
11.15 60 mins	7. Finance and Investment Report	Action
12.15 15 mins	8. Next Meeting for 2013	Action
12.30 90 mins	LUNCH	
14.00	END OF BOARD MEETING	