

Minutes of the 18th Meeting of the Donors' Council of the Global Crop Diversity Trust

14 – 15 June 2018, Bonn, Germany

The Donors' Council of the Global Crop Diversity Trust ('Crop Trust') met on the 14th and 15th of June 2018 at the Crop Trust Secretariat in Bonn, Germany. The meeting was chaired by the Netherlands, Co-Chaired and hosted by Germany, and attended by representatives of donor parties, multilateral partners, and guest speakers. A list of those in attendance can be found in Annex 1. Annex 2 shows the meeting agenda. Several background papers were issued to invitees prior to the meeting.

1. Welcome, Introduction and Adoption of the Agenda

The Chair of the Donors' Council, Mr. Hans Hoogeveen, opened the meeting, and extended a welcome to all participants. The 18th Meeting of the Donors' Council was the first to be held in Bonn, and implemented a new format as decided in the 17th Meeting, held 17 October 2017. The success of the new Donors' Council format will be evaluated in a year's time, at which time members will determine whether to permanently implement the changes. The goals of the 18th meeting were to engage with the Donors' Council on the Crop Trust's fundraising progress in 2017, to seek guidance on future fundraising efforts, and to elect a representative for the Crop Trust's Executive Board.

The Minutes of the 17th Meeting of the Crop Trust Donors' Council held on 17 October 2017 were approved. The agenda for the 18th Meeting of the Donors' Council was approved.

2. Ending Hunger: Creating Resilient Food Systems to Achieve SDG 2

The Vice Chair of the Crop Trust Donors' Council, Mr. Stefan Schmitz, gave a summary of the state of global food security and described the interdisciplinary nature of SDG Target 2. The Vice Chair stated that in order to achieve SDG 2 there would need to be global leadership, private sector investment, domestic efforts, official development assistance, and international framework on multiple levels. Dhanush Dinesh of the CGIAR Research Program on Climate Change, Agriculture and Food Security continued the conversation, highlighting the need for an agri-food system transformation, and the crucial role that crop breeding and agricultural biodiversity will play in building resilience.

3. Zooming in on the Crop Trust: Highlights from 2017 and the Road Ahead

Management presented a review of Crop Trust activities in 2017 and 2018, starting with a presentation by the Executive Director. The Executive Director highlighted activities from the Crop Wild Relatives Capacity Building with the Millennium Seed Bank at Kew Gardens, ICARDA's deposit and retrieval from the Svalbard Global Seed Vault in 2017, and the reception with His Royal Highness the Prince of Wales at Clarence House in 2018.

The Head of Programs and Genebank Platform Coordinator presented an update on the performance of the Genebank Platform and the 11 international genebanks that comprise it. The information presented included material availability targets, safety duplication efforts, and germplasm distribution data. The Director of Science and Programs provided an update on Crop Trust projects, including the Genesys platform and the Crop Wild Relatives (CWR) project's collecting, conserving and pre-breeding initiatives.

4. The Crop Trust Endowment Fund and Innovative Funding Mechanisms

Management presented a review of current and projected finances for the institution, including an overview on the status of the endowment fund, investment management, long term genebank funding, and innovative finance.

The valuation of the Crop Trust endowment fund, as of 31 December 2017, is USD 285 million, including the 50 million EUR concessional loan from KfW. The balance of the fund as of 31 May 2018 is USD 285.1 million.

Since 30 June 2016, the fund has been overseen by two asset managers, Mercer and DWS Investments, with returning rates of 16.4% and 7.6% respectively since appointment. Investment management remains strong, with an active Finance & Investment Committee and a comprehensive Responsible Investment Policy. In March 2018, the Crop Trust submitted its annual United Nations Principles of Responsible Investment report.

The Director of Finance presented the 2017 Financial Statements to the Donors' Council. The Crop Trust's total annual income was USD 38,546,427, versus the total expenditure of USD 38,534,073. In 2017, the Crop Trust withdrew USD 6,681,723 of the fund's income. Of the withdrawn funds, USD 6.4 million (or 95.78%) went to the CGIAR genebank platform, with the remaining funds going to Crop Trust operations (2%), a long term grant for the South Pacific Center (1%), and the Svalbard Global Seed Vault (1%).

The Director of Finance announced that the Crop Trust had completed its conversion to the International Financial Reporting Standards (IFRS) and that the 2017 Financial

Statements were approved with a clean audit opinion and no management letter points by PricewaterhouseCoopers (PwC). Additional audit assurances signed off by PwC included: CWR Phase 3 project audit, the Food Forever Initiative (FFI) project audit of the Norwegian contribution, USAID contributions for the endowment fund, Friends of the Global Crop Diversity financial review, and KfW loan conditions for year end ratios review.

The Director of Finance also gave the Donors' Council an overview of the Crop Trust's long-term fundraising goal to meet Genebank Platform commitments up to 2022, as well as the level of income from the endowment fund to finance the essential operations of CGIAR genebanks up to 2022. From 2022, it is envisaged that the Crop Trust will fund the essential operations of the genebanks that reach agreed performance targets and fulfill eligibility criteria.

The Director of Finance presented three future challenges and opportunities, which included (1) increasing the endowment fund to USD 500 million by 2022, (2) meeting the genebank platform commitment annually till 2022 and (3) working within the current CGIAR funding modalities. Two scenarios were presented to show the effect of annual fundraising versus income withdrawals on the endowment fund. It was noted that the effect of a net increase in the endowment fund of USD 50 million per annum, coupled with donor support for the Platform capping the withdrawals at 2%, would result in an endowment fund value of USD 500 million by 2022. These endowment funds will generate the funding required to support Article 15 collections in perpetuity from 2022.

The Head of Partnerships presented an update on the Secretariat's efforts and initiatives to establish a more diversified and sustainable funding base to safeguard crop diversity forever. This included an update on a Food Security Bond, crowd-sourcing related efforts, and targeted crop strategies to enhance private sector engagement. He invited participants to reflect on the establishment of a Working Group on Innovative Finance, which would ensure greater engagement and ownership between Donor Council meetings. This proposal was taken up on Day 2 and its outcomes are described below.

5. Crop Trust Project Portfolio: Actions for Supporting the Global System

The Senior Scientist and Head of Global Initiatives presented the Crop Trust's project priorities to support the Global System of Crop Diversity to the Donors' Council. The Crop Trust was established to ensure the long-term conservation and availability of plant genetic resources for food and agriculture. As the Crop Trust builds the endowment fund and provides financial support to key collections in the long term, it also seeks partners to pursue project-based options that further the goal of diversifying the genetic basis of our food systems and increasing global food security.

6. Roundtable Towards a Shared Vision: Aligning efforts to safeguard the foundation of our food

Representatives of the Crop Trust, CGIAR, the International Treaty on Plant Genetic Resources for Food and Agriculture, and the United States of America participated in a round table to discuss ideas for creating greater alignment and collaboration with the plant genetic resources community and the Donors' Council. Both round table representatives and meeting participants created a collaborative session featuring productive dialogue between diverse participants.

7. The Role of the Private Sector: Challenges and Opportunities in Advancing Public Private Partnership to achieve SDG 2

Ms. Halla Guðmundsdóttir of DWS provided the Donors' Council with a comprehensive overview of the ESG equity income donation share class ('share class'), which was developed with the Crop Trust. Ms. Guðmundsdóttir gave a detailed explanation of the share class, which offers investors shares in a mutual fund managed by DWS that invests responsibly and in compliance with environmental, social and governance standards. Investors hold onto their fund shares, but donate annual income distributions – mostly stock dividends – to the Crop Trust.

Participants were interested in this fundraising mechanism and expressed that it would be beneficial to hear feedback from investors on why they chose to invest or not invest in the share class. It was decided that the Crop Trust and DWS should discuss how due diligence processes will apply to share class investors at the next Donors' Council meeting.

Michael von Luehrte of the Swiss Coffee Trade Association presented on the Coffee Global Adaptation Plan (C-Gap). Mr. von Luehrte outlined production challenges for the coffee industry, specifically in the context of growing global demand for coffee – which could require a doubling of production by 2050. C-GAP was created to serve as a broker between the coffee sector and financial institutions by mitigating the impacts of climate change, driving future supply growth, and ensuring the transfer of funds to coffee producers.

8. Donor priorities and plans – What can we do together

The Chair moderated a discussion, lead by members of the Donors' Council, on their visions for the future, the Crop Trust, and the plant genetic resources community.

Participants discussed funding challenges facing the plant genetic resources community, and the possibility for greater alignment and innovation to mitigate these challenges. Participants highlighted that multi-sector collaboration is hindered by

cultural differences between private, public and multilateral organizations – specifically, the speed at which each operate.

9. Donors' Council Business: Housekeeping and Governance

Working group on innovative finance

The Head of Partnerships informed the Donors' Council that a working group on innovative finance could evaluate possible funding mechanisms for the Crop Trust. The primary objective of the working group would be to advance the Investment Sharing Facility, to explore potential innovative finance mechanisms such as a Food Security Bond or crowd funding, and discuss how best the Crop Trust can use the endowment fund mechanism to stimulate new funding for both the fund and genebanks. The working group would also engage with Donors' Council governance queries, such as identifying a role for youth participation, and addressing the funding gap described above for a more in-depth discussion between Crop Trust and CGIAR. Annex 3 enclosed provides initial draft ToRs and a tentative plan for the working group.

The working group on innovative finance was formed by the Donors' Council. The Crop Trust will serve as a convener of the group, and the Head of Partnerships will serve as the Crop Trust liaison. The following members indicated that they will participate in the group: BMZ, The International Seed Federation, KWS, the Netherlands, and FAO. Switzerland and Brazil expressed interest in joining and will inform the Crop Trust Secretariat after their consultations with their capital. A member of the Crop Trust's Finance and Investment Committee and a representative from the CGIAR will also be invited to participate. To have a comprehensive representation of experts, the Secretariat has the discretion to invite relevant organizations and individuals to this working group, such as a representative from the World Bank or IFAD.

The Secretariat will prepare the working group's ToRs and a tentative workplan. These documents along with the working group's initial activities will be presented at the Fall meeting of the Donors' Council in 2018, and a more detailed paper on the group's findings will be presented at the Spring Donors' Council meeting in 2019.

Elections to the Executive Board of the Crop Trust

The re-election of Mr. Tim Fischer to the Executive Board ('Board') was recognized at this meeting. Mr. Fischer is concluding his sixth consecutive year on the Board in 2018, however, the Board indicated that they would like to retain his services as Chair for the maximum time permitted by the Constitution. He is eligible to serve for a further two years if elected by the Donors' Council.

The Donors' Council moved by consensus to re-appoint Mr. Fischer for a final two-year term.

Feedback on the new format of the Donors' Council

Management asked participants for their feedback on the new meeting format piloted at the session. The Donors' Council commended the efforts of the Crop Trust, the Chair and Vice Chair, and the partners who presented at the meeting. Participants praised the open atmosphere and the productive discussions, and thanked their peers for their contributions. The Chair asked participants to reflect further on the meeting after its conclusion and to provide feedback to the Crop Trust and Donors' Council via a survey that will be circulated.

10. Summary and Conclusions

The Fall Donors' Council meeting is tentatively scheduled for the week of the 8th of October, and the exact date will be confirmed with the circulation of the minutes. Management will discuss plans for the next meeting based on the aforementioned decisions, and in consultation with the Chair and Vice Chair of the Donors' Council. The Executive Director of the Crop Trust and the Chair of the Donors' Council thanked participants for their meaningful and active involvement. The Chair closed the meeting.

Annex 1: List of Participants

Affiliation	Name	Role
Australia, DFAT	Fiona Lynn	Director, Agriculture and Food Security Section
Brazil, EMBRAPA	Pedro Luiz Oliveira de Almeida Machado	Coordinator of Embrapa Labex Europe (Montpellier, France)
Germany, BMZ	Stefan Schmitz	Head of Division Rural Development and Food Security
Germany, BMEL	Thomas Meier	Biological Diversity & Bio-patents
Germany, BMEL	Imke Thormann	Senior Officer for Plant Genetic Resources
Germany, KfW	Jürgen Fechter	Senior Sector Expert, Agriculture and Biodiversity, Africa
India, MoA	Mahamani Gunasekaran	Assistant Commissioner (Seeds)
Netherlands, MoFA	Hans Hoogeveen	Ambassador, Perm. Rep. of the Netherlands to the FAO
Netherlands, MoA	Kim van Seeters	Senior Policy Officer, European Agricultural and Fisheries Policies and Food Security
Switzerland, SDC	Christina Blank	Programme Manager, Global Programme Food Security
United States of America, USAID	Rob Bertram	Chief of Scientist, Bureau for Food Security
European Commission, DEVCO	Juan-Manuel Velasco Leon	Program Officer, Rural Development, Food Security, Nutrition

DowDuPont	Macy Merriman	Government and Industry Affairs Lead for Europe, Middle East & Africa with Corteva Agriscience, Agriculture Division of DowDuPont
KWS Saat SE	Léon Broers	Member of the Executive Board
KWS Saat SE	Paul Olson	Head of Intellectual Property and Plant Variety Protection
International Seed Federation	Michael Keller	Secretary General
Syngenta	Miruna Marchis	Public Affairs Manager EU Policy
Bioversity International	Stephan Weise	Deputy Director General, Research
CGIAR – System Management Board	Marco Ferroni	Chair, System Management Board
CGIAR – Research Program on Climate Change, Agriculture and Food Security	Dhanush Dinesh	Global Policy Engagement Manager
Commission on Genetic Resources for Food and Agriculture	Dan Leskien	Senior Liaison Officer
DWS	Halla Gudmundsdottir	Head Non-Profit Organization / Public Sector / Banks
FAO	René Castro	Assistant Director General of Climate, Biodiversity, Land and Water Dept.

International Treaty on Plant Genetic Resources for Food and Agriculture	Álvaro Toledo	Technical Officer
Swiss Coffee Trade Association	Michael von Luehrte	Secretary General
Coffee Assurance Services	Gustavo Bacchi	Managing Director

Annex 2: Meeting Agenda

18th Meeting of the Crop Trust Donors' Council Agenda

14 – 15 June 2018
Crop Trust Headquarters
Platz der Vereinten Nationen, 7
Bonn, Germany

Chair: Ambassador Hans Hoogeveen (The Netherlands) & Vice-Chair: Stefan Schmitz (Germany)

Thursday, 14 June 2018	
Time	Topic
12:00	Registration and lunch
13:00	Welcome, introduction and adoption of agenda Approval of report from the 17 th Donors' Council meeting held on 17 October 2017
13:15	Ending Hunger: Creating Resilient Food Systems to Achieve SDG 2 Stefan Schmitz , Head of Division Rural Development and Food Security, German Federal Ministry for Economic Cooperation and Development, and Dhanush Dinesh , Global Policy Engagement Manager, Program Management Unit, CGIAR Research Program on Climate Change, Agriculture and Food Security
13:45	Zooming in on the Crop Trust: Highlights from 2017 and the Road Ahead Marie Haga , Executive Director of the Crop Trust, and Crop Trust Team <i>Reference: Document No. 1</i>
14:30	The Crop Trust Endowment Fund & Innovative Funding Mechanisms Janet Muir , Director of Finance at the Crop Trust, and Sebastian Winkler , Head of Partnerships at the Crop Trust <i>Reference: Document Nos. 2 and 3</i>
15:15	Coffee/Tea Break
15:30	Crop Trust Project Portfolio: Actions for Supporting the Global System Hannes Dempewolf , Senior Scientist and Head of Global Initiatives at the Crop Trust <i>Reference: Document No. 4</i>
16:30	Roundtable Towards a Shared Vision: Aligning efforts to safeguard the foundation of our food Robert Bertram , Chief Scientist Bureau for Food Security, United States Agency for International Development; Marco Ferroni , Chair, CGIAR System Management Board; Marie Haga , Executive Director of the Crop Trust; and Álvaro Toledo , Technical Officer, International Treaty on Plant Genetic Resources for Food and Agriculture

17:45	Conclusions: Day 1
18:00	Reception & Dinner at Villa Hammerschmidt
Friday, 15 June 2018	
Time	Topic
09:00	The Role of the Private Sector: Challenges and Opportunities in Advancing Public Private Partnership to achieve SDG 2 Halla Guðmundsdóttir , Director Head Non-Profit Organizations & Public Sector, DWS and Michael von Luehrte , Secretary General, Swiss Coffee Trade Association
09:45	Donor priorities and plans – What can we do together? Rene Castro , Assistant-Director General, FAO's Climate, Biodiversity, Land and Water Department, and Sebastian Winkler , Head of Partnerships at the Crop Trust
11:00	Coffee/Tea Break
11:15	Donors' Council Business: Housekeeping and Governance <i>Reference: Document No. 5</i>
11:45	Summary and Conclusions
12:30	Lunch and Departures